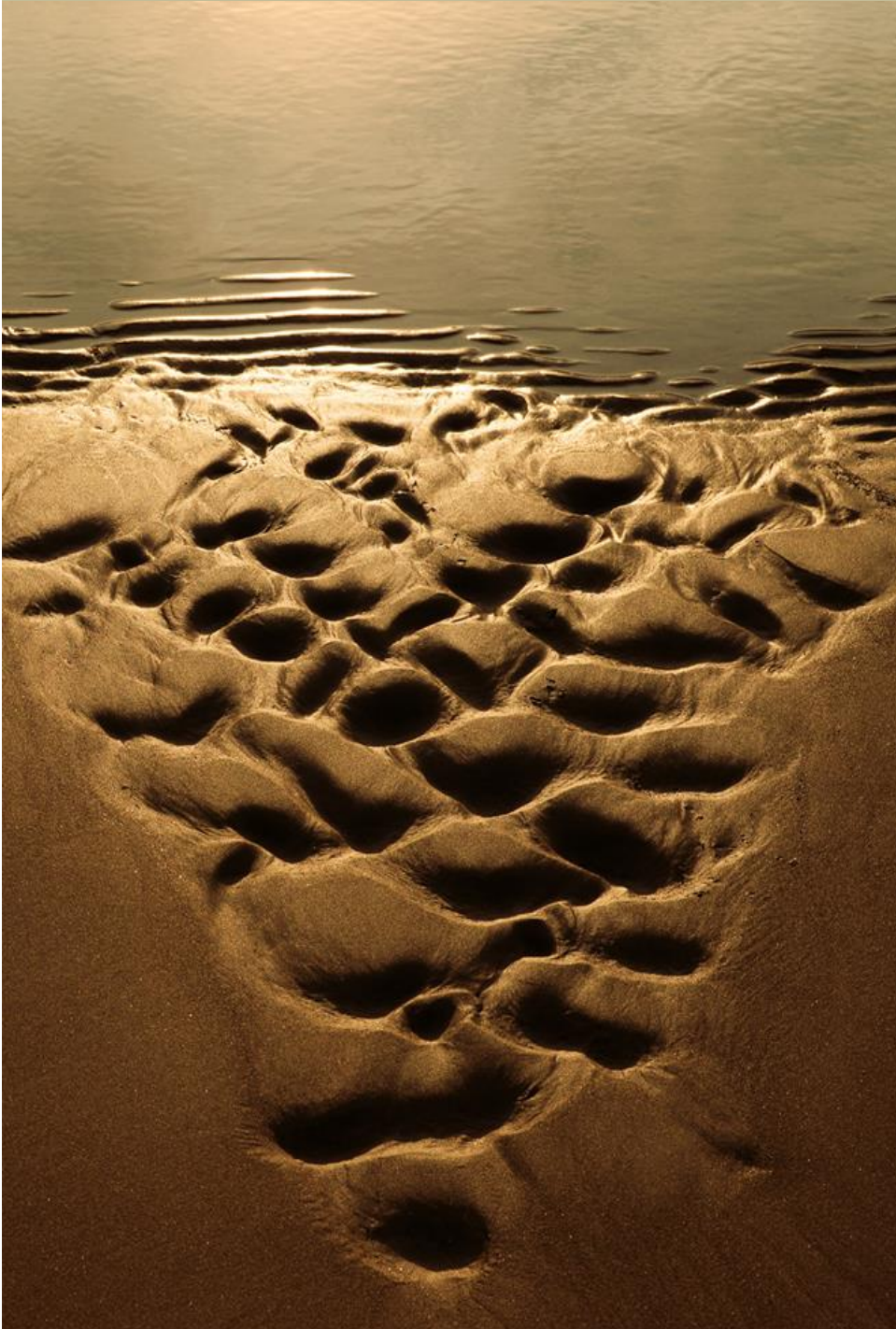




Ministry of Environmental
Protection and Regional
Development
Republic of Latvia

LATVIA'S SECOND BIENNIAL REPORT UNDER THE UNFCCC



2015

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1. Introduction

Latvia's second biennial report is prepared by Ministry of Environmental Protection and Regional Development Climate Change Department in collaboration with Institute of Physical Energetics of Latvia and other involved institutions according to the United Nations Framework Convention on Climate Change (UNFCCC) biennial reporting guidelines contained in the Decision 2/CP.17 (FCCC/CP/2011/9/Add.1) adopted by the Conference of the Parties at its seventeenth session.

Information provided on greenhouse gas emissions (GHG) and trends is consistent with information in Latvia's GHG inventory submission in 2015¹.

The EU and its Member States are committed to a joint quantified economy - wide emission reduction target of 20 per cent by 2020 compared to 1990 level. Therefore, Latvia has not submitted individual economy - wide emission reduction target to the UNFCCC secretariat. The details of the EU joint target under the UNFCCC are explained in the EU's second biennial report under the UNFCCC. Latvia's biennial report provides information on progress made in relation to Latvia's contribution to the joint EU quantified economy - wide emission reduction target, including information on projected emissions, policies and measures.

The report also includes information on provision of financial, technological and capacity-building support to parties not included in Annex I to the Convention.

Common Tabular Format tables according to the Decision 19/CP.18 – Common tabular format for “UNFCCC biennial reporting guidelines for developed country Parties” (FCCC/CP/2012/8/Add.3)– are enclosed as Annex to this report and are submitted separately to the UNFCCC using the CTF software.

¹ Latvia's 2015 inventory submission under the UNFCCC:
http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/8812.php

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Land use, Land use change and forestry (LULUCF) is a net sink in Latvia. In 2013, CO₂ removals were -147.8 kt CO₂ eq compared to -8899.5 kt CO₂ eq in the base year that is approximately 98% less than in 1990 (see Figure 2). Net aggregated emissions in LULUCF sector considerably increased since 1990 due to growth of economic activity in forest sector and due to conversion of forest lands to settlements and croplands. Although the increment of living biomass in forest land remaining forest and afforested land is still larger than the carbon losses due to commercial felling and natural mortality, the gap between gains and losses is decreasing, causing reduction of the net removals of CO₂ in forest land. Taking into account all said above, the total GHG emissions including LULUCF in 2013 has decreased per around 38% compared to 1990.

Description of emission trends by gas

Latvia's GHG emissions presented by gas are shown in the Table 2 and Figure 3.

Carbon dioxide (CO₂) is the main greenhouse gas causing the climate change. In 2013, CO₂ emissions constitute 66.0% of Latvia's total greenhouse gas emissions. In 2013, total CO₂ emissions had decreased by around 62.8% since 1990. The most important source of CO₂ emissions (kt) in 2013 was fossil fuel combustion – 90.8%, including Energy Industries – 28.6%, Manufacturing Industries and Construction –11.3%; Transport – 41.3%, Other sectors (Agriculture, Forestry, etc.) – 18.6 %. Other anthropogenic emission sources of CO₂ are Industrial Processes and Product Use – 7.5 % and Waste 0.01 %.

Main sources of CH₄ emissions in Latvia are Enteric Fermentation of Livestock, Solid Waste Disposal Sites and Energy sector. Other important sources of CH₄ emissions are leakage from natural gas pipeline systems and combustion of biomass. CH₄ emissions in 2013 contribute approximately 18.5 % of total GHG emissions (excluding LULUCF). The methane emissions (kt) decreased by 49.0 % in 2013 since 1990.

Agricultural soils are the main source of N₂O emissions in Latvia generating 83.6 % of all N₂O emissions (kt) in 2013. Other N₂O emission sources are transport and biomass, combustion of liquid and other solid fuels in sectors of energy conversion and industry, waste and sewage. Since 1990, total N₂O emissions had decreased by 44.0 % in 2013, mainly due the decrease in the emissions from agriculture.

Table 2 Latvia's GHG emissions, kt CO₂ eq

	1990	1995	2000	2005	2010	2011	2012	2013
Carbon Dioxide	19681.5	9192.2	7139.1	7853.7	8592.7	7848.2	7526.5	7387.7
Methane	3996.0	2337.8	1995.5	1998.3	1958.8	1924.0	1994.5	2036.5
Nitrous Oxide	2649.2	1218.8	1132.4	1281.4	1373.8	1382.7	1460.2	1484.0
Hydrofluorocarbons, Perfluorocarbons, Sulphur Hexafluoride	NA	0.8	6.4	28.3	87.0	89.6	98.7	117.0
Total (without LULUCF, with indirect)	26,326.48	12,750.47	10,273.87	11,160.46	12,011.12	11,244.09	11,078.53	11,025.43

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Table 3 Indirect GHG emissions, kt

Year	NO _x	CO	NM VOC	SO ₂
1990	89.75	387.31	144.03	99.50
1995	50.61	301.76	114.92	53.99
2000	42.86	242.87	102.37	15.04
2005	43.59	204.59	100.03	6.30
2010	37.85	155.30	89.18	2.55
2011	32.88	158.35	88.24	2.27
2012	33.65	165.22	89.37	1.95
2013	33.59	149.19	87.70	1.46

In the period from 1990 to 2013 indirect GHG emissions have decreased: NO_x by 62.6%, CO by 61.5% and NMVOC by 39.1%. SO₂ emissions have decreased significantly from 1990 to 2013 by 98.5%. Taking into account that amount of the indirect GHGs emissions, except NMVOC emissions, in a great extent are determined by the fuel combustion in Energy sector, the GHGs emissions decrease in the period of 1990-1995 was mainly caused by the rapid decrease of fuel consumption in this sector. However, in the subsequent years there were different causes for the reduction of different indirect GHGs emissions. SO₂ emissions decrease took place mainly due to implementation of more stringent regulations regarding maximum Sulphur content in the liquid fuels utilized in both Energy sector stationary sources and transport (mobile sources) as well as fuel switch to renewables. The decrease of NO_x emissions was mainly caused by the wider penetration of new state-of-art technologies in Energy sector (in stationary sources as well as in transport vehicles due to the implementation of catalytic converters), this penetration was favoured by the implementation of regulations regarding NO_x emissions specific values from large combustion plants and all types of road transport (passenger cars, HDV and LDV). One can see, the relative decrease of CO emissions amount is lower than of noted above emissions, this can be explained by the specific Latvia situation, namely, one of the main sources of CO emissions is small combustion devices (in residential and commercial/institutional sector) fuelled by wood fuel, thus resulting in lower CO emissions reduction rate. The biggest part of CO emission reduction is resulting from increased amount of cars with catalytic converters.

In 2013, the most important sector producing indirect GHGs (including fugitive emissions) was Energy sector (including fugitive emissions). Fuel combustion in Energy sector causes the largest part of NO_x emissions (89.8% from total NO_x emissions in 2013), but IPPU and Agriculture sectors make 4.5% and 5.4%, accordingly. Very small part of NO_x emissions is produced in LULUCF sector – 0.3% from total NO_x emissions). Almost all CO emissions (94.4%) appear in Energy sector, mainly from fuel combustion in Residential and Commercial/Institutional subsectors (74.5% from all emissions). A small part of CO emissions come from LULUCF sector (3.8%) and IPPU sector (1.7%). The major part of SO₂ emissions (87.9%) comes from Energy sector (fuel combustion), but the second largest sources of Sulphur dioxide emissions is Industrial processes (Cement production and Iron and Steel production), and a negligible part of SO₂ comes also from Waste sector (Waste

incineration). The largest amounts of NMVOC emissions are produced in IPPU sector (59.9%), mainly from solvent use, and 31.3% from total NMVOC emissions in 2013 are produced in Energy sector (fuel combustion mainly in Residential sector). 8.4% of NMVOC emissions are produced in Agriculture sector, but the remaining 0.4% in Waste sector.

2.2. National inventory arrangements

This section provides a summary of National System for preparing Latvia's GHG inventory.

Detailed information of institutional arrangements can be found in Latvia's inventory 2015 submitted under the UNFCCC.

Institutional arrangements

Latvia's national GHG inventory system is designed and operated according to the guidelines for national system under article 5, paragraph 1, of the Kyoto Protocol and Decision 19/CMP.1 to ensure the transparency, consistency, comparability, completeness and accuracy of inventory.

The Latvia's GHG inventory is compiled according to Regulations of the Cabinet of Ministers No. 217 adopted on 27 March 2012 "The National Inventory System of Greenhouse Gas Emission Units". This legislative enactment regulates institutional cooperation for establishment and maintenance of the national GHG inventory system, including data collection mechanism and the reporting procedure. Climate Change Department of Ministry of Environmental Protection and Regional Development (MEPRD) is responsible for the implementation and development of climate change mitigation and adaptation (and related) policies and measures. MEPRD is responsible for the actions (coordination, implementation and development) to meet the international and EU emission reduction targets. MEPRD also coordinates the monitoring and reporting of GHG emission data as well as is designated as the single national entity with overall responsibility for the Latvian GHG inventory.

The main institutions involved in the compilation of the Latvia's GHG inventory are the MEPRD, Latvian Environment, Geology and Meteorology Centre (LEGMC), Latvian State Forest Research Institute "Silava", Latvia University of Agriculture (LUA), Institute of Physical Energetics (IPE). A schematic model for the national system (NIS) is shown in Figure 4.

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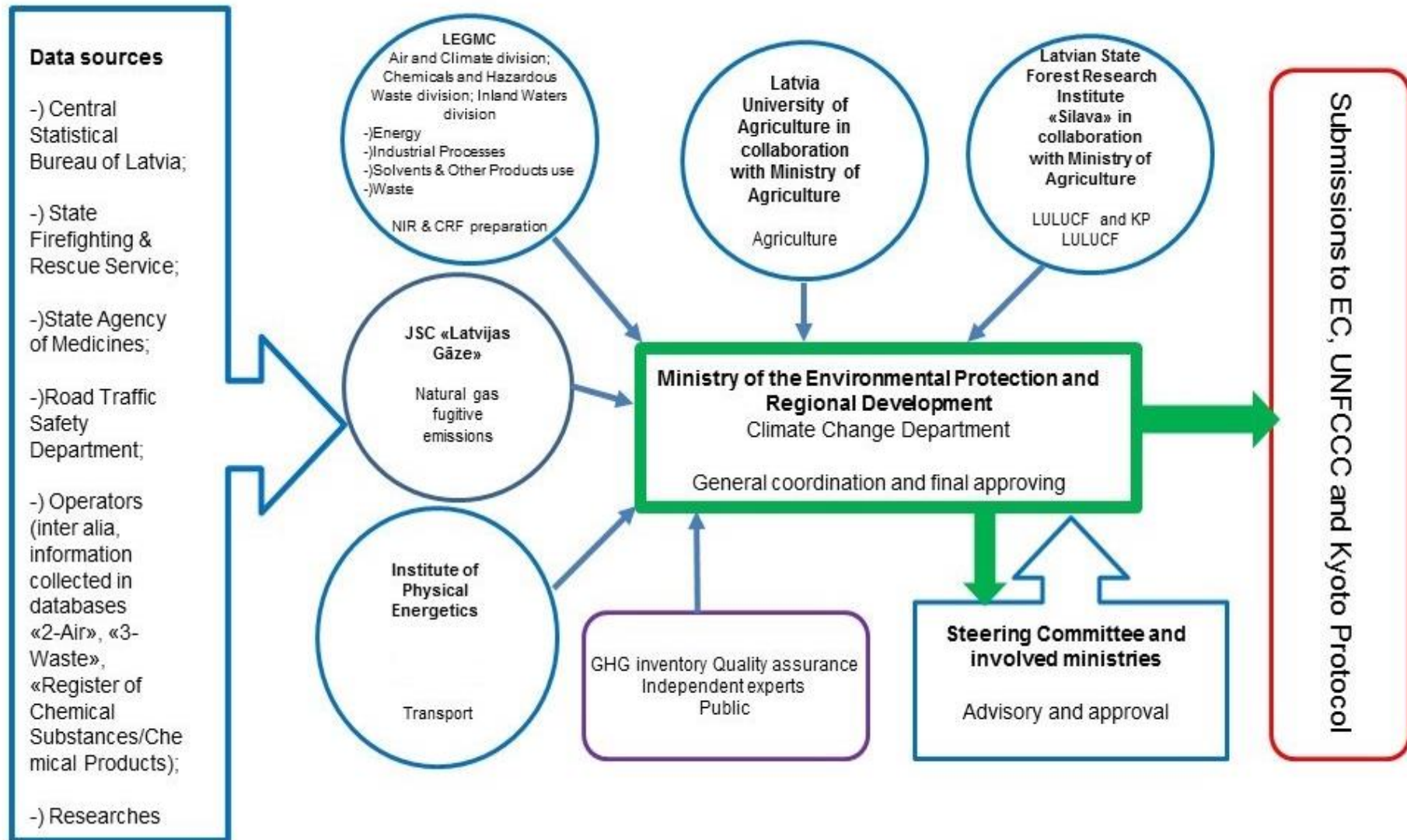


Figure 4 The structure of Latvia's national inventory system

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Latvian Environment, Geology and Meteorology Centre (LEGMC) is a governmental limited liability company and is responsible for collecting of activity data and calculation of emissions for Energy, Industrial Processes and Product Use and Waste sectors.

Calculations of removals and emissions for the LULUCF, KP-LULUCF sector were done by Latvian State Forest Research Institute "Silava" in collaboration with Ministry of Agriculture (MoA). "Silava" is responsible for collecting of activity data, preparation of the removals/emission estimates, preparation of QC procedures as well as documentation and archiving of used materials for calculation.

Institute of Physical Energetic (IPE) calculates emissions for Transport sector. IPE is responsible for collecting of activity data, preparation of the emission estimates, preparation of QC procedures as well as documentation and archiving of used materials for calculation.

Emission calculation from Agriculture sector were done by Latvia University of Agriculture in collaboration with MoA. Latvia University of Agriculture is responsible for collecting of necessary activity data cooperating with Central Statistical Bureau (CSB), preparation of the emission estimates, preparation of QC procedures as well as documentation and archiving of used materials for calculation.

The main data supplier for the Latvian GHG inventory is the Central Statistical Bureau (CSB).

For ensuring the continuity of the functions of the national system, the delegation agreement is signed between the MEPRD and LEGMC. The delegation agreement ensure the accomplishing of emission estimations and information preparation in the Energy, Industrial Processes and Product use and Waste sectors for the inventory, as well as GHG inventory compilation and activities related to EU ETS.

Additionally there are agreements with "Silava", IPE and Latvia University of Agriculture for emission estimations and information preparation accordingly for LULUCF, Transport and Agriculture sectors.

Before final GHG inventory is submitted to the European Commission and UNFCCC secretariat it is forwarded to the involved ministries for review and approving. Based on received comments inventory is corrected appropriately.

Several meetings (related to Energy, LULUCF, Agriculture, Industrial Processes and Product Use, Waste) were held before and during preparation of inventory to discuss and agree on the methodological issues, problems that have arisen and improvements that need to be implemented. There was discussion on the different problems that came up during the last inventory preparation to find solutions how to improve the overall system.

Inventory process and quality management

The organizations of the preparation and reporting of Latvia's GHG inventory and their responsibilities are described in above of this Section.

All experts responsible for data collection and processing in a particular sector are preparing their data (activity data, emission factors) for import into CRF Reporter software. The preparation of the annual inventory based on schedule of the reporting under EU MMR and UNFCCC.

Figure 5 shows the annual inventory process how the inventory is prepared within the national system.

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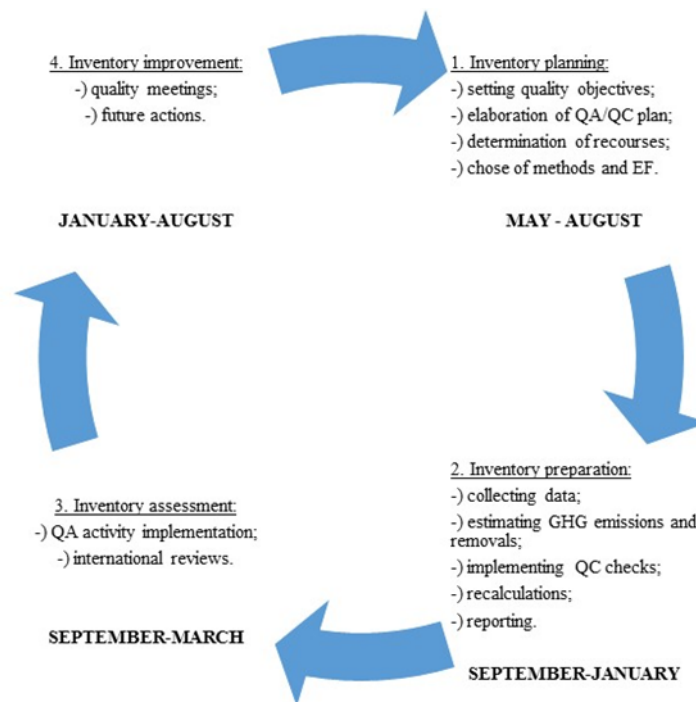


Figure 5 Inventory process

During the preparation of 2015 submission, all processes relevant to the GHG inventory have been restructured according to the 2006 IPCC Guidelines and the revised CRF tables. Detailed descriptions of the activity data and methodologies used can be found in the sectoral chapters of the National Inventory Report 2015.

Tier 2 are used to identify key categories for time period 1990-2013. The identification is divided in two parts, key categories excluding LULUCF and key categories including LULUCF source categories. Identified key categories are used for improving the GHG inventory as well the results of key category analysis are included annually in the National Inventory Report.

According to CoM Regulation No. 217 (27.03.2012.) all institutions involved in inventory process are responsible for implementing QC procedures.

The inventory planning stage includes the setting of quality objectives and elaboration of the QA/QC plan for the coming inventory preparation, compilation and reporting work. The quality requirements set for the annual inventories – transparency, consistency, comparability, completeness, accuracy, improvements and timelines.

The setting of quality objectives is based on the inventory principles taking into account the available resources.

In order to ensure improvements:

- All improvements promised in the NIR are carried out;
- Feedback on reviews is systematic;
- Inventory QC procedures meet requirements.

In order to ensure transparency:

- transparent information is included in the NIR and CRF (including information regarding the used methodology, activity data and emissions in tables);
- key words and indicators is used according to the IPCC guidelines;

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- recommendations of inventory reviews regarding transparency is taken into account as far as possible;
- documentation regarding quality control check is indicated;
- a summary regarding the changes since the last inventory in relation to transparency is provided in the NIR.

In order to ensure consistency:

- time series are consistent;
- recommendations received during inventory review regarding consistency is taken into account after evaluation as far as possible;
- information regarding consistency and recalculations is provided in the NIR;
- an explanation for a decline or increase in emissions of time series is provided.

In order to ensure comparability:

- methodologies and formats used in the inventory meet comparability requirements;
- emissions and CO₂ removal is localized and distributed according to the IPCC.

In order to ensure completeness:

- emissions from all potential sources and gases is calculated;
- recommendations of review – international experts – regarding improvements is taken into account as far as possible;
- information regarding completeness is provided in the NIR;
- all reasons for recalculations and reasons why a designation NE (not evaluated) and IE (included elsewhere) is used instead of data is indicated;

In order to ensure accuracy:

- *Tier 2* or a higher method is used for the main sources as far as possible;
- uncertainties are calculated and information is provided in the NIR;
- a summary regarding changes in uncertainties and regarding improvements in comparison with the previous inventory is provided in the NIR.

In order to ensure timeliness:

- inventory reports reach their recipient (EU / UNFCCC) within the set time.

The QA reviews are performed after the implementation of QC procedures to the finalised inventory. The inventory QA system comprises reviews to assess the quality of the inventory.

A basic review of the draft GHG emission and removal estimates and the draft report takes place before the final submissions to the EU and UNFCCC (January to March) by the involved institutions on GHG inventory preparation process.

The draft of National inventory report (NIR) was sent to CSB, MoA, and MoT for checking and approving.

UNFCCC review reports indicate the issues where inventory need the improvements and elaboration. The improvement plan for GHG inventory is compiled based on the findings of the UNFCCC, EC, internal reviews and recommendations from third part experts.

Quality Assurance (QA) activities include a planned system of review procedures conducted by personnel not directly involved in the inventory compilation/development process. According to Regulation No. 217 MEPRD is responsible for ensuring QA procedures for GHG inventory. Periodically all sectors are revised by third part experts.

All institutions involved in GHG inventory preparation process are responsible for archiving the collected data and estimated emissions. Latvia has a centralized archiving system - all

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information (including corresponding letters, internal documentation on QA/QC procedures, external and internal reviews, documentation on annual key sources and key source identification, planned inventory improvements) used for inventory compilation are collected on the special server and the backup of data are made periodically. All information is archived at LEGMC. Common, password protected FTP folder is used for information storage and exchange.

Changes in GHG inventory arrangements since NC6 and BR1

There are no changes to arrangements with institutions involved in the GHG inventory preparation Since the Latvia's Sixth national communication and First biennial report under UNFCCC. The agreements regarding responsibilities are maintained and continue to be in force according to the national legislation (Regulations of the Cabinet of Ministers No. 217 adopted on 27 March 2012 "The National Inventory System of Greenhouse Gas Emission Units").

3. Quantified economy-wide emission reduction target

This section explains the Latvia's emission reduction target as a member of EU (since 2004) under the UNFCCC.

In 2010, the EU submitted a pledge to reduce its GHG emissions by 2020 by 20 % compared to 1990 levels (UNFCCC, 2014a). This target under the Convention has only been submitted by EU-28 and not by each of its Member States (MS), namely, Latvia as part of the EU-28 takes on a quantified economy-wide emission reduction target jointly with all Member States. Thus, there are no specified convention targets for single EU MS. The EU 2020 Climate and Energy Package introduced a clear internal rules to achieving the 20% reduction of total GHG emissions from 1990 levels, which is equivalent to a 14 % reduction compared to 2005 levels. This 14 % reduction objective is divided between ETS and non-ETS sectors, contributing respectively of two thirds vs one third of the reduction effort (EU, 2009⁴).

The EU ETS target is to be achieved by the EU as a whole, Under the revised EU ETS Directive⁵, one single EU ETS cap covers the EU MS and the three participating non-EU MS (Norway, Iceland and Liechtenstein). Sectors included in EU ETS will achieve emissions reductions by 21% against 2005, and there are no further differentiated caps by country.

Non-ETS emissions are addressed under the Effort Sharing Decision (ESD)⁶. The ESD covers emissions from all sources outside the EU ETS, except for emissions from international maritime, domestic and international aviation (which were included in the EU ETS from 1 January 2012) and emissions and removals from land use, land-use change and forestry (LULUCF). It thus includes a diverse range of small-scale emitters in a wide range of sectors. Sectors not included in ETS will achieve emission reductions by 10% EU overall, against 2005. This ESD 2020 target was fairly divided into national emission targets, expressed as percentage changes from 2005 levels, to be achieved individually by each MS. When setting these national targets, the different capacities of MS and their need for development have been taken into account. Latvia's emission reduction target for 2020 includes the positive limit +17% compared to 2005 established for non-ETS sector in line with ESD. By 2013 European Commission Decisions (EC 2013)⁷⁺⁸, these percentage changes have been transferred into binding quantified annual reduction targets for the period from 2013 to 2020, expressed in Annual Emission Allocations (AEAs).

⁴ Directive 2009/29/EC of the European Parliament and of the Council of 23 April 2009 amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the Community (OJ L 140, 05.06.2009, p. 63) (<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:140:0063:0087:en:PDF>)

⁵ Directive 2009/29/EC of the European Parliament and of the Council amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the Community

⁶ Decision No 406/2009/EC

⁷ Commission decision of 26 March 2013 on determining Member States' annual emission allocations for the period from 2013 to 2020 pursuant to Decision No 406/2009/EC of the European Parliament and of the Council (2013/162/EU)

⁸ Commission Implementing Decision of 31 October 2013 on the adjustments to Member States' annual emission allocations for the period from 2013 to 2020 pursuant to Decision No 406/2009/EC of the European Parliament and of the Council (2013/634/EU)

In the year 2013 verified emission of stationary installations covered under the EU-ETS in Latvia summed up to 2.65 Mt CO₂ equivalent. With total GHG emissions of 11.03 Mt CO₂ equivalent (without LULUCF) the share of ETS emissions is 24%.

3.1. Progress in achievement of QEWER target

For the quantification of the progress to 2020 targets, the development of GHG emissions is the key indicator. The Convention target of a reduction of emissions by 20% from 1990 to 2020 only refers to the emissions of the EU-28 as a whole. GHG emissions of EU-28 are calculated as the sum of MS emissions. With this, GHG emissions of Latvia are part of EU-28 emissions with a percentage of 0.25% in the year 2013.

As noted in above, within the general framework of meeting total EU 2020 target, Latvia as the EU Member State, according Effort Sharing Decision, has non-ETS emissions target for 2020. Latvia's emission reduction target for 2020 includes the positive limit +17% compared to 2005 established for non-ETS sector in line with ESD. The compliance assessment for the first year 2013 under the ESD will not take place until 2016. Estimated performance based on submitted inventory shows that in 2013 the non-ETS emissions in Latvia were by 9.7% lower than the 2013 target defined by the respective decisions determining MS annual emissions allocations for non-ETS activities.

Latvia's emission trends 1990 – 2013 are reported in detail in CTF Table 1. The development of GHG emissions is reported in CTF Table 4.

Emissions in the sector of LULUCF are not included under the convention target, therefore they are not included in CTF Tables 4 and 4(a). The latter shall be filled with "NA" for not applicable, with the explanation "Numbers for LULUCF are not reported because this sector is not included under the Convention target".

The use of flexible mechanisms takes place on the one hand by operators in the EU ETS, on the other hand by governments for the achievement of ESD targets. For information on the use in the ETS please see the 2nd BR of the European Union.

The use of flexible mechanisms under the ESD cannot be quantified in the moment: As the compliance assessment for the first year 2013 under the ESD will only take place in 2016, any potential use of units for the first year will only take place in 2016. Thus, for the 2nd BR the EU and its MS can only report that no units have been used under the ESD so far.

3.2. Other emission reduction targets

In addition to the EU target under the Convention, Latvia as the member of the EU also committed to a legally binding quantified emission limitation reduction commitment for the second commitment period of the Kyoto Protocol (2013-2020).

4. Policies and measures

The following section describes in short only those GHG emissions reduction policies and measures (PAMs) which were not included in the 1st Latvia Biennial Report and Sixth National Communication (2013), or the content or time horizon have been changed. The full list of GHG PAMs is available in the Annex of the BR2, see CTF Table 3.

4.1. Cross-cutting policies and measures

In 26 March 2014 Cabinet of Ministers adopted new Latvia's **Environmental Policy Strategy 2014-2020** (*Vides Politikas Pamatnostādnes 2014-2020.gadam*). The Strategy is the national level planning document for the environmental sector that includes directions for low-carbon policies development, low-carbon technology implementation and sustainable land management in farming. The general climate policy objectives under the section 6 "Climate" are defined as follows: (1) to provide contribution of Latvia to prevention of global climate change by taking into account Latvia's environmental, social and economic interests, and (2) to promote Latvia's preparedness for adaptation to climate change and its impacts.

The following policies and measures are defined by the Strategy as the most important:

1. implementation of GHG emissions reduction measures in all sectors of economy, alongside with promoting sustainable, low carbon capacity and cost-effective development,
2. integration of the climate policy targets in the policy of other sectors by setting the responsibilities of each sector and promoting cooperation between the state, local governments and the private sector,
3. raising public awareness about the climate changes and adaptation to them as well as involving people in the policy development and its implementation,
4. implementation of effective adaptation measures and their integration in the spatial planning and sector policies.

Participation in EEA Financial Mechanism 2009-2014

Programme "National Climate Policy"

The objective of the Programme is to support Latvia in developing a comprehensive national climate policy covering non-TES sector as regards emissions, and all sectors as regards adaptation. Within Programme the Latvian institutional capacity in national climate policy development and implementation is strengthened, including information analyses, scenario development, society involvement, policy analyses and development of documents for integrated climate change mitigation and adaptation to climate change management.

The Programme includes both pre-defined projects and open calls.

Within the framework of the Programme two pre-defined projects are being implemented:

1. "Development of the National System for GHG Inventory and Evaluation and Reporting on Policies, Measures and Projections",
2. "Development of Proposals for National Adaptation Strategy, including Identification of Scientific Data, Measures for Adapting to Changing Climate, Impact and Cost Evaluation".

Project Promoter of both pre-defined projects is the MEPRD and both pre-defined projects have partners from Norway, namely, the 1st pre-defined project is being implemented in co-operation with the Norwegian Environment Agency.

In 2014 two calls for proposals were carried out – (1) open call “Emission reduction technologies including renewable energy, sustainable buildings and technology development” (according to the project selection results in total 7 projects applications was approved for financing) and (2) small grant scheme “Capacity building in the Field of Research and Measures for Enhancing Society’s Understanding about Climate Change and its Consequences” (18 projects applications approved for financing).

Programme “Green Industry Innovation”

Development of green incubators is stated as one of the Latvia’s Environmental Policy Strategy’s 2014-2020 actions. Ministry of Economics is the responsible ministry for the implementation of the programme “Green Industry Innovation”. The Programme includes pre-defined project (Establishment of Green Technology Incubator), open call (Financial assistance for implementation of green technologies in production process) and small grant scheme. Responsible institution supervising the implementation of the programme – Investment and Development Agency of Latvia.

4.2. Sectoral policies and measures: Energy

To increase the share of renewable energy sources (RES) in the balance of energy sources

Economic measures

Investment Support Programme for District Heating (DH) Systems.

In financial planning period of 2014-2020 the investment support from Cohesion Fund (CF) is provided within the framework of the national Operational Programme “Growth and Employment”, Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors”, Investment Priority 4.3. “To Promote the Production and Distribution of Energy derived from RES”, the Specific Objective 4.3.1. “To promote energy efficiency and use of local RES in district heating systems”⁹. In total with re-construction and construction of DH systems it is expected to achieve at least 143 MW increase in RES heat capacity, of which 70MW will be achieved by EU CF funds, but remaining by private companies. As a result of planned investment, the efficiency of DH system will be improved, while supplementing investment in energy efficiency of buildings. The share of renewable energy produced in DH systems will rise from the baseline value 18.8% (2012) up to target value of 20.7% in year 2023 (CH specific result indicators). The total amount of financial support is planned ~ 53.2 MEUR (of which 50% for the Intervention Category 11¹⁰ “Renewable Energy: Biomass” and 50% for the Intervention Category 16 “High efficiency cogeneration and district heating”).

⁹ Operational Programme “Growth and Employment”. Ministry of Finance of the Republic of Latvia, English translation: http://www.esfondi.lv/upload/Planosana/FMProg_270115_OP_ENG_2.pdf, sections 333-344.

¹⁰ Intervention categories according the Commissions Implementing Regulation (EU) No215/2014).

Other investment support programmes within national Operational Programme “Growth and Employment 2014-2020”

Other investment support programmes under the noted Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors” includes energy efficiency improvement programmes in manufacturing industry, multi-apartment buildings and public buildings (both state central administration and municipal). The priority objective of these programmes is energy efficiency, however it is planned that these programmes will contribute in new RES capacity as well. The total (for all these programmes) new RES capacity is anticipated 11.4 MW¹¹.

Investment support to Produce Energy from Biomass which is of an Agricultural or Forestry Origin.

In 2014-2020 EU Funds’ programming period the financial support is provided within the framework of the Measure 06 “Farm and business development by supporting the non-agriculture activities”, priority 5C of the national Rural Development Programme^{12,13}, financially supported by EU ELFLA. Responsible ministry for implementation of the measure - the Ministry of Agriculture, the responsible institution supervising implementation – state administration institution Rural Support Service. According to the Article 13 of the Commission Delegate Regulation (EU) No 807/2014 of 11 March 2014, it is stated by the Rural Development Programme that (i) beneficiary biogas plant shall operate in combined heat-power (CHP) mode and shall utilise at least 70% of the produced heat (to provide own production or shall sold to other business entities), (ii) at least 70% of raw products for fermentation should be provided by the by-products of beneficiaries farm, like manure, waste and residue of food production and processing, not utilizable for food production. The total amount of public allocations is planned 16 MEUR, and it is envisaged at least 45.7 MEUR total investments (public + private).

To increase the efficiency of use of energy sources

Regulatory measures

The new Latvia’s “**Energy Policy Strategy 2014-2020** (*Enerģētikas Attīstības Pamatnostādnes 2014.–2020.gadam*, final draft)” defines the following indicators in year 2020 in compliance with EU energy efficiency policy and new Energy Efficiency Directive 2012/27/EU:

- total savings of primary resources in year 2020 – 0.670 Mtoe (20% reduction against the baseline),
- total cumulative energy savings – 0.85 Mtoe (9897 GWh),

¹¹ Indicators of national Operational Programme “Growth and Employment 2014-2020” (Eiropas Savienības Kohēzijas politikas fondu 2014. - 2020. gada plānošanas perioda darbības programmas "Izaugsme un nodarbinātība" un tās papildinājuma rādītāju saraksts, in Latvian), 30 April 2015

¹² Factsheet on 2014-2020 Rural Development Programme for Latvia, http://ec.europa.eu/agriculture/rural-development-2014-2020/country-files/lv/factsheet_en.pdf

¹³ Rural Development Programme for Latvia 2014-2020 (*Latvijas Lauku Attīstības Programma 2014-2020.gadam*), in Latvian, <https://www.zm.gov.lv/lauku-attistiba/statiskas-lapas/lauku-attistibas-programma-2014-2020/projekts-latvijas-lauku-attistibas-programma-2014-2020-gadam?nid=1046#jump> ; pages 256-257,

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The importance of comprehensive energy sector development planning at local level for optimal energy efficiency investment and maximising expected benefits is recognised. National Development Plan 2014-2020 directly states the role of municipal energy plans.

The priority Policies and Measures to reach the efficiency of use of energy sources are as follows:

Legislative developments:

The recast Law on the Energy Performance of Buildings, adopted December 2012 in accordance with the requirements of the Directive 2010/31/EC, recasts the general legal framework of setting the mandatory minimum energy performance requirements for buildings, recasts the general principles of mandatory energy efficiency certification for buildings, verification of buildings heating and ventilation systems.

It is introduced by the new Cabinet of Ministers Regulations¹⁴ six (A-F) energy efficiency classes of residential buildings and non-residential buildings. The latest Amendments of the noted Regulations (in force from 21 November 2015) make more precise the specific energy consumption (annual kWh per 1 m² for heating) value ranges for different classes, the timeframe for transition period to low energy building and clearly states that buildings of F class (specific energy consumption for heating above 150 kWh/1m² annually) requires energy efficiency improvements. The new buildings shall be almost zero energy buildings: for municipal buildings – starting from the 1st January 2019, for other residential and non-residential buildings – starting from the 1st January 2021.

The particular policy is focused to the residential buildings with the worst specific average heat energy consumption. Namely, the chapter IV of the Cabinet of Ministers Regulations No907 (adopted September 2011, in force 1st January 2012), issued under the Law on Administration of Residential Houses, determines that for multi-apartment buildings energy efficiency measures (including renovation, if necessary) are obliged in case the annual heat consumption (average for last 3 years) exceeds 230 kWh/m² – according estimate provided by Ministry of Economy, this requirement may relate to 10% of the existing multi-apartment buildings. In January 2014, Amendments to the noted Cabinet of Ministers Regulations came into force, strengthening this requirement. According to these Amendments, the energy efficiency measures are obliged in case the average annual heat consumption, calculated during previous 3 calendar years, exceeds: (i) 200 kWh/m² annually for heat and hot water, or (ii) 150 kWh/ m² annually for heat only.

To co-operate with industrial sector, the government has adopted the framework for signing the voluntary agreements on energy efficiency, promoting energy audits and energy management systems in industrial enterprises.

Economic measures

Investment Support Programme for District Heating (DH) Systems.

In financial planning period of 2014-2020 the investment support from CF is provided within the framework of the national Operational Programme “Growth and Employment”,

¹⁴ Governmental Regulations No 383 „Regulations On Energy Certification of Buildings” (*Ministru Kabineta noteikumi Nr.383 „Par ēku energosertifikāciju”*), adopted 09 July 2013, in force 19 July 2013., published in “Latvijas Vēstnesis” 138 (4944), 18.07.2013, <http://likumi.lv/doc.php?id=258322>, in Latvian.

Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors”, Investment Priority 4.3. “To Promote the Production and Distribution of Energy derived from RES”, the Specific Objective 4.3.1. “To promote energy efficiency and use of local RES in district heating systems”¹⁵. In total it is expected to achieve at least 70 km of reconstructed heating pipeline networks. Anticipated energy savings due to reconstruction of pipeline networks shall be at least 49 GWh/year in 2023.

Investment Support Programmes to Increase Energy Efficiency in Apartment Buildings.

In financial planning period of 2014-2020, increasing of energy efficiency in multi-apartment buildings is supported within the framework of the new Operational Programme “Growth and Employment”: Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors”, Investment Priority 4.2. “Support energy efficiency, smart energy management and use of renewable energy sources in public infrastructure, including in the public buildings and in housing sector”, Specific Objective 4.2.1. “To increase energy efficiency in public and residential buildings”. Investments will ensure conformity to the EU Council Recommendations in the area of energy efficiency. Responsible ministry for implementation – Ministry of Economics. Planned total amount of financial support for the implementation of the measure ~ 166.5 MEUR, of which (i) ERDF co-financing - 150 MEUR¹⁶, and (ii) national (state budget) public financing - 25 MEUR¹⁷. The financial assistance will be provided in the following forms of .subsidy (grant), repayable loan, guarantee for the loan. High requirements in relation to both the level of energy efficiency to be achieved and the return of the invested funding will be set as the main criteria for the selection of energy efficiency improvement projects: ***the annual heat energy saving after renovation is at least 30%*** compared with the consumption calculated in building’s energy audit report before implementation the project, ***the annual heat energy consumption for heating after renovation shall not exceed 90 kWh/m²/year***, the project should implement (if necessary) the construction, renovation or reconstruction of ventilation system to provide ventilation according the Construction Standards, the implementation of the project shall be economically justified – IRR for 20 years period shall be above zero¹⁸.

Efficient use of energy resources, reduction of energy consumption and transfer to RES in manufacturing industry: 2014-2020 EU Structural Funds programming period

Development of new, innovative energy-saving technology, measures increasing energy efficiency and share of RES is supported within the framework of the new national Operational Programme “Growth and Employment”, Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors”, Investment Priority 4.1. “Promoting Energy Efficiency and use of RES in enterprises”, the Specific Objective 4.1.1. “To promote

¹⁵ Operational Programme “Growth and Employment”. Ministry of Finance of the Republic of Latvia, English translation: http://www.esfondi.lv/upload/Planosana/FMProg_270115_OP_ENG_2.pdf, sections 333-344.

¹⁶ The Operational Programme: *Table 2.4.13 (7-12), page 121)*

¹⁷ Ministry of Economics. The draft Regulations on the noted Support Programme Darbības programmas „Izaugsme un nodarbinātība” 4.2.1.specifiskā atbalsta mērķa „Veicināt energoefektivitātes paaugstināšanu valsts un dzīvojamās ēkās” 4.2.1.1.specifiskā atbalsta mērķa pasākuma „Veicināt energoefektivitātes paaugstināšanu dzīvojamās ēkās” īstenošanas, in Latvian, https://www.em.gov.lv/lv/es_fondi/normativo_aktu_projekti/

¹⁸ Ministry of Economics. Draft Government Regulations “Regulations regarding the 4.2.1.1. specific target “Energy Efficiency Measures in Residential Buildings” of the Specific Objective No4.2.1 “To increase energy efficiency in public and residential buildings” of the Operational Programme “Growth and Employment”; Draft Text version of 05 March 2015, in Latvian, https://www.em.gov.lv/lv/es_fondi/normativo_aktu_projekti/

efficient use of energy resources and reduction in energy consumption in the manufacturing industry sector” corresponding to this Investment priority [sections 292-302]. Planned total amount of financial support by Cohesion Fund – 32.6 mln EUR¹⁹, financial instrument – loan with partial defrayment of principal amount may be applied²⁰. Indicative activities to be supported: measures for the improvement of energy efficiency of buildings of manufacturing industry enterprises, energy certification of buildings, construction works for the increase of energy efficiency – heat insulation of buildings’ delimiting (boundary) structures, reconstruction of engineering systems of buildings, installation of recuperation, energy control and management equipment, acquisition and installation of new and efficient thermal (heat) energy, electricity producing and water boiler production equipment using RES.

Investments to Improve Energy Efficiency in Food Processing Enterprises 2014-2020 EU Funds programming period

The financial support is provided within the framework of the Measure 04 “Investments” of the national Rural Development Programme, financially supported by EU ELFLA. The total amount of support for investments will constitute ~ 75.6 MEUR, of which 11.388 MEUR is directly targeted to improvement of energy efficiency of food processing enterprises and agriculture sector in general under the priority 5B (other investments may bring energy efficiency improvements indirectly as well). Responsible ministry for implementation of the measure - the Ministry of Agriculture, the responsible institution supervising implementation – state administration institution Rural Support Service. The total amount of allocations (public plus private) under the energy efficiency priority is envisaged 28.346 MEUR. Food processing enterprise may use the support for implementation of new energy efficient equipment. To receive the support the enterprise should have the certain threshold regarding the use of local Latvia raw materials for production varying in the range 30%-70% depending on the type of production (this share of local raw materials should be raised at the end of the third year of the project per 10% but is not required higher than 70%). The general support rate is defined 20% or 30%, enterprises with lower turnover may pretend to higher rate. In case of energy efficiency investments, if energy efficiency will be increased at least per 20%, the additional support rate of 10% may be received, however the total support rate shall not exceed 40% (an other additional support rate may be received if enterprise produce or will start to produce the food quality scheme products, healthy products or new innovative (in case of Latvia) products)²¹.

Increasing Energy Efficiency in Municipal Buildings: EU Programming Period of 2014-2020

Increasing of energy efficiency in public buildings of local governments is supported within the framework of the new Operational Programme “Growth and Employment”, Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors”, Investment Priority 4.2. “Support energy efficiency, smart energy management and use of RES in public infrastructure, including in the public buildings and housing sector”, the Specific Objective 4.2.2. “To facilitate the increase of energy efficiency in municipal

¹⁹ This sum is equally dividend between Categories of Investment (*defined by the Commission Implementing Regulation (EU) No 215/2014 of 7 March 2014*) No 68 (*energy efficiency and demonstration projects in SMEs and supporting measures*) and No70 (*promotion of energy efficiency in large enterprises*).

²⁰ The Operational Programme: page 112, *Table 2.4.14 (7-12)*, & page 107, section 299.

²¹ Rural Support Programme, p.206-208; Factsheet on 2014-2020 Rural Development Programme for Latvia.

buildings, according to the integrated development programme of the municipality” corresponding to this Investment priority [sections 312-316]. Indicative activities to be supported: construction works and renovation of municipal buildings for the increase of energy efficiency - – heat insulation of buildings’ delimiting (boundary) structures, reconstruction of engineering communications of buildings, installation of recuperation, energy control and management equipment, including smart meters and ventilation systems, energy certification of buildings, as well as use of RES in buildings (installation of such RES-based local heating systems is acceptable if particularly high energy efficiency indicators are achieved and the installation is economically justifiable, including measures for the increase of energy efficiency of local energy sources). Planned total amount of financial support by ERDF ~ 31.394 MEUR; form of finance –non-repayable grant. According the ERDF common output indicators, the following target values in year 2023- are stated by the [3, *Table No.2.4.5 (5) in page 113*] for the particular measure: (1) decrease of annual primary energy consumption of municipal public buildings - 13.718 GWh/year, (2) additional renewable energy production capacity installed - 1.2 MW.

Increasing Energy Efficiency in State (Central Government) Public Buildings: EU Programming Period of 2014-2020

Increasing of energy efficiency in public buildings of central government is supported within the framework of the new Operational Programme “Growth and Employment”, Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors”, Investment Priority 4.2. “Support energy efficiency, smart energy management and use of RES in public infrastructure, including in the public buildings and housing sector”, the Specific Objective 4.2.1. “To increase energy efficiency in public and residential buildings” corresponding to this Investment priority [sections 306-311]. Indicative activities to be supported: construction works and renovation of state public buildings for the increase of energy efficiency - – heat insulation of buildings’ delimiting (boundary) structures, reconstruction of engineering communications of buildings, installation of recuperation, energy control and management equipment, including smart meters and ventilation systems, energy certification of buildings, use of RES in buildings (installation of such RES systems is acceptable if particularly high energy efficiency indicators are achieved in building and the installation is economically justifiable). Positive financial return of investments is the most important criterion for support. Planned total amount of financial support by ERDF is ~ 97.8 MEUR. The target value for decrease of annual primary energy consumption of state public buildings are stated 36.347 GWh/year in 2023.

In years 2015-2016 the promotion public understanding on the importance and possibilities of GHG emissions reduction is supported by the programme “National Climate Policy” of the EEA Financial Mechanism for years 2009-2014. Responsible ministry for the measure is the MEPRD, the responsible institution supervising implementation – State Regional Development Agency. Within the open tender of this programme, announced in summer 2014, it was *ex-ante* allocated 1.24 MEUR for promotion public understanding and knowledge on climate change mitigation and adaptation²². The following activities are supported: (1) development and realisation of education/training programmes for professional audiences, municipal specialists and teachers, (2) development and realisation of education modules for vocational secondary education programmes and professional education

²² In addition to it, 746.3 thousand EUR were allocated to support science research projects related to climate change.

programmes of high (graduate) schools, (3) organisation of educational activities and actions for pupils of primary, general secondary and vocational education schools, (4) information campaigns and public actions in mass media, websites, radio. As a result of the tender it is approved in total 18 projects, of which 14 projects' activities directly or mostly relate to promoting public, both general and professional groups, understanding and knowledge. The activities of the projects should be implemented until 30 April 2016.

In Autumn 2015 the Ministry of Environmental Protection and Regional Development has proposed two new measures: (i) GHG emissions reduction by Low energy building (both new ones, 15 MEUR total co-financing planned, and reconstruction to low energy consumption, 8 MEUR total co-financing planned) focused to culture sector buildings and (ii) GHG emissions reduction by Energy Efficiency Improvements in the Architectural Monuments of State Significance (9 MEUR total co-financing planned), both measures are proposed to be co-financed by the revenues from EU ETS quotas auctioning. These measures are under adoption procedure for the time being, December 2015.

4.3. Sectoral policies and measures: Transport

Regulatory measures

Promotion of clean and energy efficient road transport by public procurement.

The legal norms - special regulations for procurements in the field of road transport - arising from the Directive 2009/33/EC on promotion of clean and energy-efficient road transport vehicles are implemented in Latvia by: (1) the section 46¹ of Public Procurement Law, The given section was introduced by the Amendments (June 2010) and is in force from 15 June 2010, (2) the section 19 of Law on the Procurement of Public Service Providers, the given section was introduced in the basic version of the Law and is in force from 4 September 2010, (3) the section 18 of Law on Public Transport Services, the given section was introduced by the Amendments (June 2013) and is in force from 18 June 2013.

Economic measures

Electro mobility Development: Support for Electric Vehicles (EV) and EV Charging Infrastructure- year 2014

Part of the revenues from the sale of GHG emissions under procedures pursuant to Article 17 of the UNFCCC Kyoto Protocol was allocated as the national Climate Change Financial Instrument (CCFI) programme for CO₂ emissions reduction in transport sector by supporting acquisition of new electric vehicles (EV) and installation of EV charging infrastructure. The beneficiaries were public institutions (both direct and mediate ones), derived public persons and registered in Latvia business entities. The support (~ 3.9 MEUR by CCFI in total) was provided only for "pure" electric vehicles (electric engine is the only one having zero GHG emissions) and publicly available charging infrastructure. Within the programme it was supported acquisition of more than 200 EV and 47 charging stations.

Electro mobility Development: Electric Vehicles Charging Infrastructure Development - EU Structural Funds Programming Period of 2014-2020

Development of EV charging infrastructure is supported within the framework of the new national Operational Programme "Growth and Employment", Thematic Objective No4 "Supporting the shift towards a low-carbon economy in all sectors", Investment Priority 4.4.

„To promote low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures”, the Specific Objective 4.4.1. “To develop EV charging infrastructure in Latvia” corresponding to this Investment priority [sections 346-358]. Availability of a functioning charging network is a crucial precondition for the increase in number of EVs. Introduction of the network of EV charging points will promote energy efficient development of vehicle market, as a result of which the use of EVs in road transport will be promoted. Indicative activities to be supported: the creation of EV charging infrastructure and the development of operator centre software for their management. Planned total amount of financial support by ERDF – 7.1 MEUR²³, financial instrument – non-repayable grant. ERDF specific result and output indicator: (1) rising registered number of electric vehicles in Latvia, target value in year 2023 - 747 EVs, (2) number of installed EV charging points in year 2030 - 235 points.

Development the infrastructure of environmentally friendly public transport: EU Structural Funds Programming Period of 2014-2020

Development of the infrastructure of public transport (PT) will be supported within the framework of the new national Operational Programme 2014-2020 “Growth and Employment”, Thematic Objective No4 “Supporting the shift towards a low-carbon economy in all sectors”, the Specific Objective 4.5.1. “To develop the infrastructure of environmentally friendly public transport [sections 360 – 371]. As the result of the measure, the use of PT will be promoted by increase of number of environmentally friendly vehicles of PT and length of tram lines. Thus, the flow of passengers will direct from private transport to PT, decreasing the flow of road transport in cities. Thus, more effective urban transport infrastructure will be developed. By developing the route network of PT, the need to use light vehicles in urban traffic will be reduced. It is anticipated that number of passengers of environmentally friendly PT will increase per 1.61 million (from baseline value of 86.81 million in 2012 to target value of 88.42 million passengers in 2023). Indicative total financial amount by Cohesion Fund – 108.516 MEUR. Cohesion Fund specific output indicators: (1) total length of new or improved tram lines – 8 km, (2) number of new vehicles of environmentally friendly public transport – 50 vehicles. Riga city tram infrastructure development project will be the major project.

4.4. Sectoral policies and measures: Industrial processes and product use (F-gases)

Regulatory measures

The most important regulations affecting the amount of these gases are the revised F-gas Regulation (EU) No 517/2014 and the Directive 2006/40/EC relating to emissions from air-conditioning systems in motor vehicles. The F-gas Regulation follows two tracks of action:

²³ This sum is divided between Categories of Investment (*defined by the Commission Implementing Regulation (EU) No 215/2014 of 7 March 2014*) No 43 *Clean urban transport infrastructure and promotion (including equipment and rolling stock)*– 5.887 MEUR and No44 *Intelligent transport systems (including the introduction of demand management, IT monitoring, control and information systems* - 1.206 MEUR

Improving the prevention of leaks from equipment containing F-gases. Measures comprise: containment of gases and proper recovery of equipment; training and certification of personnel and of companies handling these gases; labelling of equipment containing F-gases; reporting on imports, exports and production of F-gases. Several bans on the placing on the market, maintenance and service products and equipment containing HFCs with high GWPs are requirements of the new regulation.

Avoiding F-gases in some applications where environmentally superior alternatives are cost-effective. Measures include restrictions on the marketing and use of certain products and equipment containing F-gases.

4.5. Sectoral policies and measures: Agriculture

Regulatory measures

Implementation of the *Nitrates Directive* (ND) 91/676/EEC and *Water Framework Directive* (WFD) 2000/60/EEC in to national legislation promoted several measures to reduce greenhouse gas emissions and indirectly affected ammonia emissions set in the *National Emission Ceilings Directive* 2001/81/EC. Legal norms arising from Council Directive 91/676/EEC concerning the protection of waters against pollution caused by nitrates from agricultural sources have been included in *Law on Pollution* (20 June, 2002) that set base to regulation on protection of water and soil from pollution with nitrates caused by agricultural activity. The Law set requirement to The Cabinet of Ministers to regulate the criteria for determination and managing of highly sensitive territories with increased requirements for the protection of water and soil. *Law on Pollution* also classifying polluting activities into Categories A, B, and C, considering the quantity and effect or the risk of pollution caused to human health and the environment. In agriculture sector polluting activities requiring a Category A permit are farms for the intensive rearing of pigs and poultry with more than 40 000 places for poultry or with more than 2 000 places for production pigs with weight over 30 kg (with more than 750 places for sows). These farms shall apply the best available techniques to prevent pollution. The purpose of *Law on Environmental Impact Assessment* (30 May, 2001) is to prevent or reduce the negative impact of the implementation of the activities of a planning document thereof on the environment. Objects requiring Impact Assessment in agriculture sector are installations for the intensive rearing of pigs or poultry with more than 85000 places for broilers; 60000 places for hens; 3000 places for production pigs (over 30 kilograms); and 900 places for sows.

According to *Law on Pollution* several requirements regarding agricultural practice and manure spreading were introduced in the Cabinet of Ministers Regulations No.834 of 23 December, 2014 “Regulations on protections of water and soil from pollution caused by nitrates from agricultural activities” and the Cabinet of Ministers Regulations No.829 of 23 December, 2014 “Specific requirements for carrying of polluting activities in animal sheds”. Requirements included in Regulations that could be linked to mitigation measures of greenhouse gas emissions are:

- appropriate storing and application of fertilizers, manure and fermentation residues to avoid and diminish pollution of air, soil and water;
- limitation of manure and fermentation residues use to 170 kg per ha in a year;
- determining of the storage capacity for storing of different types of farmyard manure;

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- determining nitrogen requirements for a certain crop upon the expected yield and preparing crop fertilizations plans in highly sensitive territories;
- introduction of green area in the winter period in highly sensitive territories.

All these measures reduce amount of nitrogen used and decrease nitrogen losses through indirect emissions.

Economic and Fiscal measures

The latest reform of the Common Agricultural Policy (CAP) introduces a new instrument, the green payment, to deal with the environmental impacts of agriculture. The green measures include crop diversification, maintaining permanent grasslands and introduction of ecological focus areas. The current programming period until 2020 in Latvia, also envisages financial support for introducing greenhouse gas emission mitigation measures with a focus on climate- and environmentally-friendly agricultural practices or the green component, which is supported as extra payment.

Crop diversification is designed to encourage a diversity of crops on holdings which have arable land. Land that is considered as Ecological Focus Area may include: buffer strips, nitrogen fixing crops, and other. Buffer strips promote minimizing of nitrogen leaching, however introduction of leguminous plants on arable land lead to the fertility improvement of the farm's agro system by fixing atmospheric nitrogen.

The purpose of *Law on Agriculture and Rural Development* (1 May, 2004) is to provide a legal basis for agricultural development and to specify sustainable agricultural and rural development policy in accordance with the Common Agricultural Policy of the European Union. According to *the law*, Cabinet of Ministers Regulations No.126 (10 March, 2015) set procedure for awarding of direct payments to farmers. The procedure is based on EU Regulation No 1307/2013 (17 December, 2013) establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009, as well as Commission Delegated Regulation (EU) No 639/2014 (11 March, 2014) supplementing Regulation (EU) No 1307/2013 of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy, and Commission Implementing Regulation No 641/2014 (16 June, 2014) laying down rules for the application of Regulation (EU) No 1307/2013 of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy.

The Latvian Rural Development Programme (RDP) (2014-2020) describes pathways for the economic development of Latvia's rural areas. The programme facilitates the conversion to organic farming and the development of existing organic farms. Restoring, preserving and enhancing ecosystems related to agriculture and forestry is the main priority of the RDP. 14% of the agricultural area will come under contract for biodiversity, 17% for water management and 17% for soil management. The Programme envisages that GHG and NH₃ emission reduction measures will cover around 10% of agricultural land. Under this priority, production of renewable energy from waste and by - products will be supported²⁴.

²⁴ Factsheet on 2014-2020 Rural Development Programme for Latvia. Available:

RDP also highlights supporting of GHG emission neutral or reductive agricultural practices. The current programming period, i.e. until 2020, also envisages financial support for introducing GHG emission mitigation measures. A special focus will be placed on climate and environmentally friendly agricultural practices or the “green component”, which is an extra payment to all beneficiaries of basic payments if corresponding practices are complied with. Introduction of leguminous plants on arable land can fix atmospheric nitrogen through symbiosis with bacteria in nodules of the root system. Leguminous species on arable land improve the fertility of the farm’s agro system. The objective for Latvia is to have at least 5 % of leguminous crops in arable land of the farms. The measure leaves a positive impact on nitrogen leaching. Support for implementing of precision farming technologies in the farms also is planned. National Development Plan of Latvia for 2014–2020 set goal to reach area used for organic farming (as a percentage of all land used for agriculture) over 15% in 2030, promoting significant pathway to production in environmentally friendly way.

4.6. Sectoral policies and measures: Land Use, Land Use Change and Forestry

Measures in farmlands

Development and adaptation of drainage systems in cropland

The activity is aimed on reconstruction and improvement of existing drainage systems in cropland.

The direct impact in cropland is associated with accumulation of CO₂ in soil carbon pool due to higher productivity of the drained fields and application of more advanced management practices. The evaluation of impact of the measure considers that it will be implemented in extensively managed cropland where poor conditions of drainage systems shorten active vegetation season or production of agricultural crops is not possible at all.

Support to introduction and promotion of integrated horticulture

The measure applies to the establishment of new orchards. Implementation of the measure will affect carbon stock in living biomass and soil. The impact of the measure is projected for the 20 years’ period for soil and 30 years – for living biomass carbon pools.

Support to diversification of crop rotation

The measure considers diversification of crop rotation in cropland, including application of green manure, to secure higher inputs of organic material into soil. Implementation of the measure will result in removals of CO₂ in soil.

Growing of papilionaceous plants (legumes)

This measure considers use of legumes in mixture with other crops in cropland, considering higher inputs of organic material into soil and partial replacement of mineral fertilizers with nitrogen fixing plants. Just like the diversification of crop rotations it considers a set of targets in agriculture. Implementation of the measure will result in CO₂ removals in soil.

Greening of cropland

The scope of the measure is leaving a certain area of cropland out of conventional cropping system. The measure will reduce GHG emissions by reduction of management activities on organic soil in cropland.

Measures in forest land

Development and adaptation of forestry infrastructure

The most of the forest drainage systems in forest land in Latvia are established before 1990. The measure is aimed on reconstruction and improvement of existing drainage systems in forest land increase value of forests and productivity on drained soils. The measure will secure continuous growth of carbon stock in living and dead biomass in drained forests. Forest drainage is one of the most efficient solutions to increase CO₂ removals in living biomass and other carbon pools in forest lands on mineral soils.

Afforestation and improvement of stand quality in naturally afforested areas

The scope of the measure is efficient utilization of farmlands, which are not used for food or fodder production. This is the most efficient climate change mitigation measure in the Rural development plan 2014-2020; however, the impact is limited to the scale of implementation of the measure.

The afforestation secures accumulation of CO₂ in living and dead biomass, litter and soil.

Regeneration of forest stands after natural disturbances

The measure considers restoration of forest stands after natural disturbances, like forest fires and strong storms, as well as reconstruction of diseasing valueless forest stands. The measure will affect mainly carbon stock in living biomass and dead wood carbon pools. The breeding effect in regenerated stands is considered as a main driving force for additional CO₂ removals.

Improvement of ecological value and sustainability of forest ecosystems

The scope of the measure is to support pre-commercial thinning of forests to secure implementation of sustainable forest management practices aimed to increase economic and ecological value of forests.

Pre-commercial thinning has a short and long term impact. A short impact is a transfer of certain portion of the carbon from living biomass to the dead biomass pool with following conversion into CO₂. The long term impact is increase of growing rate (by 15 % annually in average, according to an expert judgement used in growth models).

4.7. Sectoral policies and measures: Waste management

Regulatory measure

Limitation to landfilling

The objective of the Landfill Directive 1999/31/EC is to prevent or reduce as far as possible negative effects on the environment resulting from the landfilling of waste – including emissions of GHG – by introducing stringent technical requirements for waste and landfills. Landfill directive requirements are transposed in several legislations acts of Latvia (Regulations of Cabinet of Ministers No 1032 (30.12.2011), and planning document (Waste management plan 2013-2020). According to targets in Latvia's “Waste management plan 2013-2020” landfilled biodegradable wastes must be reduced to:

- 50% in year 2013 from landfilled biodegradable waste in 1995;
- 35 % in year 2020 from landfilled biodegradable waste in 1995.

In addition, the Landfill Directive requires collection of landfill gas from all landfills receiving biodegradable municipal waste. At this moment in Latvia in 4 active polygons and 2 closed disposed sites methane collection occurring. About 30-35% of total emitted methane from waste disposal sites is collected.

Increase municipal waste recycling

Waste Framework Directive 2008/98/EC requirements for municipal waste recycling are implemented with Regulations of Cabinet of Ministers No 598 (02.08.2011).

Targets of Latvia's “Waste management plan 2013-2020” related to municipal waste recycling:

- prepare for re-use and recycle at least 50% (by weight) of household waste and other similar waste streams of paper, metal, plastic and glass waste till year 2020;
- increased to at least 70% by weight of the preparation for re-use, recycling and other material recovery, including backfilling operations using waste as other material substitutes till year 2020.

The Packaging and Packaging Waste Directive 94/62/EC provides for measures aimed at limiting the production of packaging waste and promoting recycling, re-use and other forms of waste recovery, hence, at reducing the final disposal of such waste. The Packaging and Packaging Waste Directive requirements are implemented with Regulation of Cabinet of Ministers No 983 (19.10.2010).

Targets of Latvia's “Waste management plan 2013-2020” related to packaging waste recycling till 31.12.2015.:

- to recover 60% of the packaging waste and to achieve the following minimum recovery objectives:
- to recycle 55% of packaging waste and to achieve the following minimum recycling objectives:

The Directive on Waste of Electrical and Electronic Equipment (WEEE) 2012/19/EC requires Member States to take measures to encourage producers to design and produce electrical and electronic equipment which take into account and facilitate dismantling and recovery. Moreover, it sets ambitious collection targets in order to minimise the disposal of WEEE in the form of unsorted municipal waste. It also sets targets for re-use and recycling as well as targets for recovery of WEEE to ensure the correct treatment of all collected WEEE.

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WEEED requirements are implemented with Regulations of Cabinet of Ministers No 897 (22.11.2011.) Targets of Latvia's "Waste management plan 2013-2020" related to WEEE:

- Ensure collection of WEEE per capita is four kilograms per year till 13.08.2016;
- Increase of WEEE collection rate to 65% of the average weight of EEE that is placed on the Latvian market in the three preceding years, or 85% of the Latvia territory of WEEE generated till 14.08.2021.

Reduction of GHG Emissions from Urban Waste Water Treatment

The **Urban Waste Water Treatment Directive** 91/271/EEC concerns the collection, treatment and discharge of urban wastewater and the treatment and discharge of waste water from certain industrial sectors. The Directive requires, *inter alia*, total nitrogen reduction for discharges from treatment plants to sensitive areas. As increased nitrogen removal has been found to lead to a decrease in N₂O emissions in wastewater treatment plants²⁵, this requirement can contribute to a reduction of N₂O emissions. The Directive requirements are implemented with Regulations of Cabinet of Ministers No 34 (22.01.2002.).

The Regulation stipulating that by 31 December 2015 in 88 agglomerations of Latvia of more than 2000 population equivalent (p.e.) well-managed biological treatment is to be ensured. In these 88 agglomerations resides 85-90% of the country's population. More stringent treatment which ensures considerable reduction of nitrogen and phosphorus in wastewater is to be ensured in the agglomerations of more than 10 000 p.e. and it had to be already done by 31 December 2011.

Partnership Agreement for the use of European Structural and Investment (ESI) Funds for the 2014-2020 planning period envisages financial support for development of centralized wastewater collection system to increase availability for residents in different agglomerations to connect to a system. Program provides that in agglomerations of more than 2000 p.e. centralized wastewater collection is to be ensured at least from 97% of the residents in the respective agglomeration, but in all other agglomerations – not less than from 92% of the residents in the respective agglomeration.

²⁵ <http://www.bmlfuw.gv.at/publikationen/wasser/abwasser/Lachgasemissionen---Kl-ranlagen.html>

5. Projections

The scenarios underlying the emission projections in the 2015 submission have incorporated new insights with regard to economic and demographic developments, sector developments, fossil fuel prices, the CO₂ price and policies when compared with the projection of BR1 (2013). Recent statistics were also taken into account. The base year for the model is 2012, as against 2010 for the previous projection.

Greenhouse gas (GHG) emissions in Latvia have been projected for the years 2015, 2020, 2025 and 2030. Emissions projection includes and provides for the implementation of policies and measures which are defined in policy documents developed by the government of Latvia until the year 2014. These projections correspond to the “scenario with existing measures” (WEM). In addition to this scenario, there are also projected emissions with planned additional measures which are only described in the approved government documents, but legal regulations and implementation mechanisms have not yet elaborated. This is the “scenario with additional measures” (WAM). In addition to the projections, two sensitivity scenarios have been assessed for the energy sector to evaluate the impact of GDP growth rate and the share of electricity import in electricity supply.

The GHG emission projection of Latvia up to 2030 is based upon the long-term macroeconomic projection up to the year 2030 developed by the Ministry of Economics. The scenario projects that the growth rates of exports and the manufacturing industry will remain comparatively high based mainly on both the increased competitiveness of Latvian producers and the growing external demand. According to this scenario it is expected that GDP, similarly to private consumption, will double during 2005-2030 with the average annual growth 3%. The number of population in Latvia is expected to continue to decrease by 13.9% from 2.012 to 1.923 million in the same time period.

The main macro economic parameters are shown in the **Table 4**.

Table 4 The main macro economic indices applied for projecting GHG emissions

	2015	2020	2025	2030
Number of inhabitants, thous.	1979.90	1938.73	1926.86	1923.88
Private consumption, annual changes per period, %	2.5%	4.2%	4.3%	3.3%
GDP growth, annual changes per period, %	2.5%	4.2%	4.3%	3.3%
Agriculture	1.1%	2.9 %	3.8%	2.7%
Service	2.2 %	4.8%	4.6%	3.4%
Manufacturing	0.5%	5.1%	6.7%	5.6%

The more information regarding key parameters' values, applied for calculation of GHG emissions projections, is presented in the Annex CTF Table 5.

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growth of emissions is considerably lower. This tendency is reflected by the indicator (GHG emissions per GDP unit) values change, showing that in 2030 the indicator value is significantly, per 73%, lower than in 1995 and per around 32% lower compared to the projections' calculation base year (2013), see Figure 8.

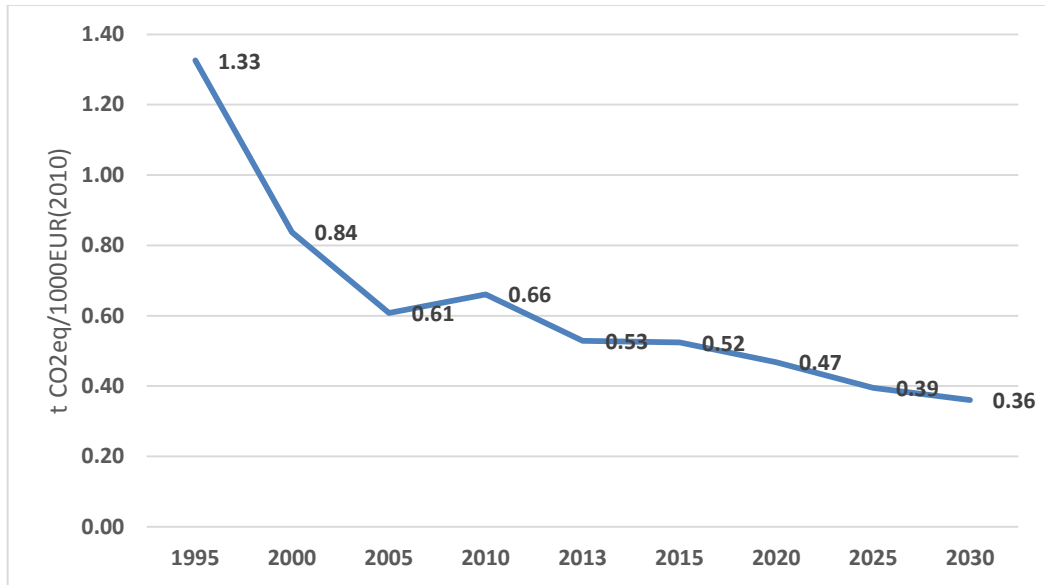


Figure 8 Development of GHG intensity indicator (historical and WEM projections), tCO₂eq/1000EUR(2010)GDP

The following figure illustrates the GHG emissions projections in WEM scenario. In addition, in **Figure 9** the estimated emissions savings resulting from these existing policies and measures, implementation of which had started 2010 and after, are shown. Estimated emission savings in year 2020 is around 920 kt. Based on this impact estimation, it has been calculated the GHG emissions baseline demonstrating amount of projected emissions without measures.

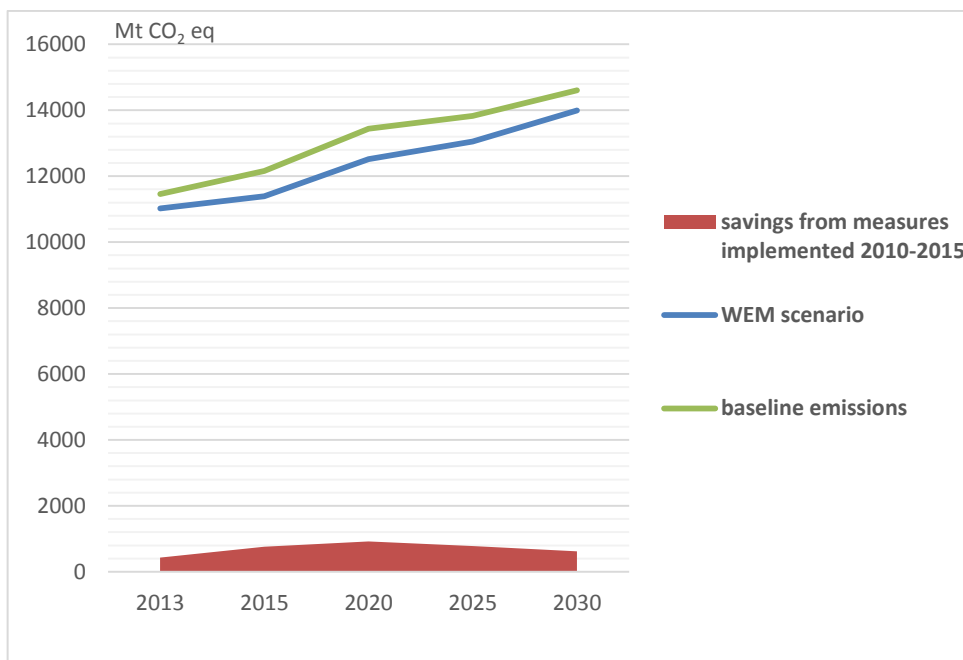


Figure 9 Projected impact of adopted and implemented policies

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In addition to WEM scenario, there are also projected emissions with planned additional measures (WAM) which are described in the approved government policies documents, however the implementing procedures and mechanisms of which are not yet set.

The additional GHG emission mitigation measures under the WAM scenario allow an essential reduction of the projected emissions. Thus, in 2020 under the WAM scenario emissions are by 11.4% lower and in 2030 by 16.3% lower than in the respective years under the WEM scenario.

Table 6 Actual and projected total GHG emissions per sector under “scenario with additional measures”, kt CO₂ eq.

Sector	1990	2015	2020	2025	2030
Energy excluding transport	16227.9	4664.0	4429.4	4214.8	4428.8
Transport	3030.6	2725.5	2658.2	2738.9	2784.2
Industrial Processes and Product Use	602.6	840.9	952.6	1086.7	1215.7
Agriculture	5558.6	2298.0	2543.6	2725.2	2906.8
Waste	764.5	636.1	570.4	516.6	451.7
Total excluding LULUCF	26326.5	11164.4	11154.2	11282.2	11787.2

The split of greenhouse gas emissions between the EU ETS sector and the non-ETS sector is illustrated in **Figure 10**. The split is expected to remain roughly the same during the projected time period.

According to the WM projection, the emissions from the non-ETS sector in the year 2020 will be around 7 per cent above the 2005 level, which is sufficient for reaching the target set by the EU Climate and Energy Package (+17% compared to 2005). The calculated projections show that, the emissions from non-ETS sector in the year 2030 will be around 16 percent above the 2005 level.

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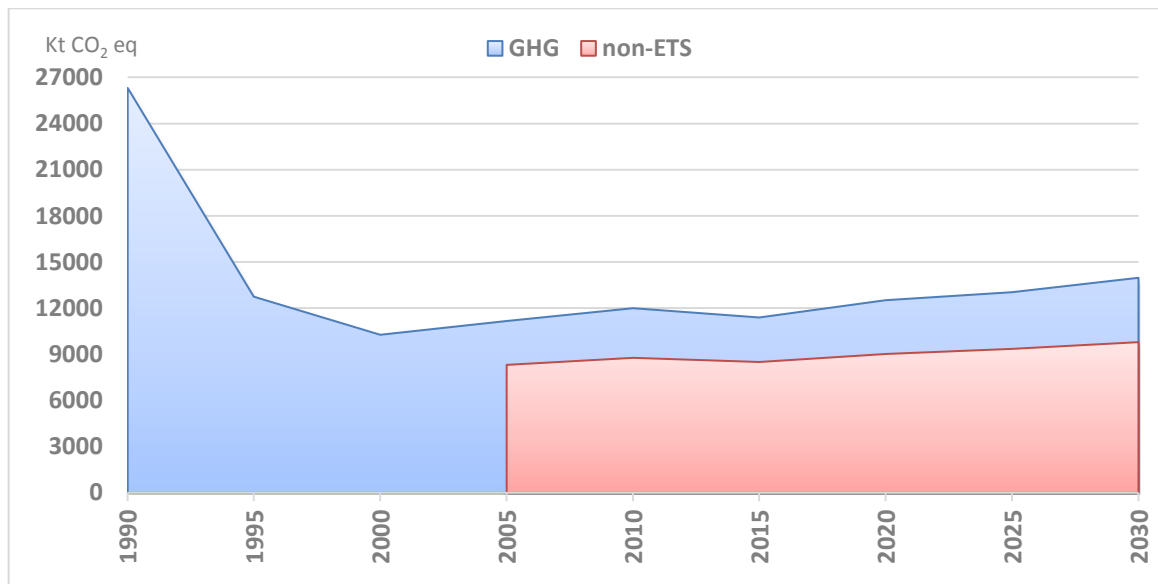


Figure 10 Greenhouse gas emissions (1990-2013) and the WEM projection (up to 2030) in the EU ETS and non-ETS sectors

5.1. Projected emissions per sector

5.1.1. Energy

Total GHG emissions caused by energy production and use (1.Energy, IPCC sector definition) will increase by the year 2030 only under the “scenario with existing measures” in the time span 2015 - 2030, however they are expected to be 56.9% below 1990 levels in 2020 and 52.8% below in 2030. Under the “scenario with additional measures” the GHG emissions volume in 2020 and 2030 is respectively lower by 14.3% and 20.5% than in the “scenario with existing measures”. GHG emissions reduction amounts to approximately 1218 kt CO₂ eq in the year 2020.

Energy, kt CO ₂ eq	1990	2015	2020	2025	2030
WEM scenario	7332.9	7564.3	8306.2	8490.8	9082.3
WAM scenario	7332.9	7389.4	7087.6	6953.8	7213.0

Amount of GHG emissions in Energy sector is mainly determined by the change of Final Energy Consumption (FEC) and Gross Primary Energy Supply (GPES) within considered period of years 2015-2030. GHG emissions projections' in WEM scenario are calculated assuming the total FEC's growth in this period only 6.0% and GPES's growth – 6.2%, however, the energy end-use sectors have different FEC's trends.

High increment rate of Value Added in Manufacturing Sector causes the increase of energy consumption per 29% during 20 years' period. The next-largest energy consumption increase – 18.9% - is projected in Agriculture Sector. In Transport Sector the significantly lower growth of energy consumption is projected – only 8.7%. On the contrary, in Households and Service sector energy consumption will go down, per 19% and 0.5% during 20 years' period.

The Energy sector is affected strongly by the measures to reduce the emissions, enhance the energy efficiency and to increase the share of renewable energy sources.

If in the energy generation sector (electricity generation and district heating system) the main GHG emission reduction measures relate to wider use of RES to replace fossil fuel and reducing energy losses in the supply system, then in the consumption sectors raising of energy efficiency is the priority target.

The increase of the use of renewable energy sources is done in the electricity and district heating sectors by increasing first of all the use of biomass in heating boilers, followed by increasing the use of biomass in CHPs (combined heat and power plants) and then by increasing the use of other RES in the generation of electricity and heating. There are also wide possibilities to replace fossil fuel with biomass in the industrial sector. To increase the use of RES in the residential and service sectors as well as the transport sector is fairly limited.

Taken together, this use of all the renewable energy sources is expected to increase the share of the use of renewable energy sources in the total final energy consumption by 34 % under

the WEM scenario and 40% under the WAM scenario. The biggest difference between the projected scenarios is more extensive use of renewable energy sources under the “scenario with additional measures” in the manufacturing sector.

Energy efficiency measures considered in the National Energy Efficiency Action Plan have been taken into account in both scenarios (WEM and WAM). Energy efficiency measures mainly focus on energy efficiency improvements in buildings (residential and public buildings) and they are already fully being implemented under the WEM scenario. Most of additional energy efficiency measures implemented under the WAM scenario relate to the industrial and service sectors.

5.1.2. Transport sector

The total projected GHG emissions under the “scenario with existing measures” in inland transportation will increase just only by 2.4% and 7.9% in 2020 and 2030 respectively vs. the year 2012. In spite this trend the projected GHG emissions in 2020 and 2030 are still below 1990 level, respectively 5.6 % (2020) and 1% (2030).

Transport, kt CO ₂ eq	1990	2015	2020	2025	2030
WEM scenario	3030.6	2796.7	2860.2	2944.1	3014.3
WAM scenario	3030.6	2725.5	2658.2	2739.0	2784.2

Most GHG emissions in the transportation sector are caused by road transport, which accounts for 92% of the total emissions in 2020. Thus, the main emission impacting factor in the transportation sector is the penetration rate of new technologies with higher demands for emission limits and replacing the stock of the existing auto transport. This measure is already included in the emission projections under the WEM scenario.

In railroad transportation due to comparatively short distances inland transportation service is less developed, therefore, international transportation dominate the railroad cargo transportation, thus, external factors have a considerable impact upon the emissions projections in this sector.

Navigation and local aviation account for a very small share of total emissions.

Wider use of biofuels is projected in the WAM scenario.

5.1.3. Industrial processes and Product Use

GHG emissions from the use of raw materials in technological equipment and which are not directly related to the combustion of fuel are accounted under industrial processes, including emissions from solvent use and F-gases. The share of industrial process emissions is comparatively low in total GHG emissions, however, from 2010 they have a sharp increase in absolute terms. According to the macroeconomic forecast, a fairly high development rate of manufacturing industry is projected up to 2030 which will be determined both by domestic consumption and the possibilities of export development. The total projected GHG emissions

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under the “scenario with existing measures” in industrial processes will increase in time period 2015 – 2030.

Industrial processes and Product Use, kt CO₂ eq	1990	2015	2020	2025	2030
WEM	602.6	840.9	952.6	1086.7	1215.7
WAM	602.6	840.9	952.6	1086.7	1215.7

GHG emissions in industrial processes under the WEM scenario are projected taking into account that the production processes of enterprises will comply with the requirements provided for in the law “On Pollution”. In compliance with the requirements of this law enterprises have to organise the production process by implementing the best abatement technologies providing for the lowest level of GHG emissions. This process is regulated and verified under EU ETS legislation and there are list of installations that has permission to acquire free emission allowances as CO₂ quotas.

The use of F-gases is projected taking into account GDP growth rate, the number of households and the number of freezing equipment used (refrigerators and freezers), the development of the service sector and the amount of stationary refrigeration used in it as well as changes in the number of road transport which determine the amount of the used air conditioning systems in motor vehicles.

The projection of F-gases under the WEM scenario is based on the assessed impacts of the EC regulation on F-gases (842/2006), new EC regulation on F-gases (517/2014) repealing regulation 842/2006 and the EC directive on emissions from air conditioning systems in motor vehicles (2006/40/EC) (MAC Directive).

Emissions from refrigeration and air conditioning equipment are expected to decrease due to prohibitions regarding placing on the market certain F-gases as well as according to prohibition to air-conditioning systems designed to contain F-gases with a global warming potential higher than 150 from a certain date.

5.1.4. Agriculture

Projections of greenhouse gases (GHG) emission in Latvia are compiled according to *2006 Intergovernmental Panel on Climate Change (IPCC) Guidelines*. Total emissions from agriculture sector include:

- CH₄ (methane) emissions from enteric fermentation of domestic animals and manure management;
- N₂O (nitrous oxide) emissions from manure management and agricultural soils;
- CO₂ (carbon dioxide) emissions from liming and urea fertilization.

Emissions from agricultural soils include direct N₂O emissions from application of synthetic and organic nitrogen fertilizers, urine and dung deposited by grazing animals, emissions

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caused by mineralized nitrogen resulting from loss of soil organic carbon stocks in mineral soils through land-use change or management practices, emissions from crop residues and cultivation of organic soils and indirect N₂O emissions from atmospheric deposition and nitrogen leaching and run-off.

Projections of GHG emissions from agriculture sector with existing measures are based on activity data provided by Latvia University of Agriculture in collaboration with Ministry of Agriculture of Republic of Latvia. Activity data for emission calculation in Agriculture sector are projected based on population data, agriculture products consumption indicators, share of agriculture in GDP and global trading data of agriculture products.

Projections of GHG emissions in agricultural production also are based on goals of National Development Plan of Latvia for 2014–2020. By seeking the solution to the efficient use of Latvia's land resources, the target has been set to reach 95% of cultivated land in the total area of agricultural land in 2020. The size of direct support payments for agricultural land has increased for Latvia in the new programming period of the EU Common Agricultural policy. Cultivation of agricultural land in Latvia will be positively affected by lifting of milk production quotas in 2015. Increase in agricultural production is likely to increase GHG emissions in Latvia.

Enteric Fermentation

Number of cattle accounts for more than 90% of CH₄ emissions by enteric fermentation. Projected livestock numbers (Table 7) are based on the assumption that since 2005 there has been a continuous growth in the number of cattle and sheep. Growth of cattle and sheep number is also expected in agricultural producers development plans according to favourable agro-climatic conditions for livestock farming and global demand for dairy and meat products. Sectoral policy strategy document of the Ministry of Agriculture "Development trends of Latvia dairy sector until 2020" shows the goal to increase milk production and reach 30% increase of the average milk yield. It is forecasted that the expiration of milk quotas also will promote production. A slighter increase is expected in numbers of horses, goats, fur-bearing animals and swine.

Table 7 Projected livestock numbers, thousand heads

Category	2012	2015	2020	2025	2030
Dairy cattle	164.6	170	195	213	231
Non-dairy cattle	228.5	272	290	308	325
Sheep	83.6	96	119	142	165
Swine	355.2	361	374	393	412
Goats	13.3	15	16	17	17
Horses	10.9	10	10	10	10
Poultry	4910.9	5359	6089	6771	7452
Rabbits	37.3	33	50	73	96
Fur-bearing animals	231.6	225	250	265	279

Important parameter influencing CH₄ emissions is the gross energy (GE) intake of cattle. For the inventory and projection purposes GE for dairy cattle is calculated on the basis of milk yields. Average milk yield per cow in Latvia is projected to increase until 2030 (**Table 8**).

Table 8 Average milk yield per cow, kg·year⁻¹

Category	2012	2015	2020	2025	2030
Milk yield	5250	5600	6500	7250	8000

Manure Management

Main activity data for calculation of CH₄ and N₂O emissions from manure management are livestock population data and animal manure management systems (MMS) data, as well as excreted nitrogen rate per domestic animal. For annual GHG inventory Latvia uses country specific nitrogen excretion values, these values are also used for projections. Data on MMS are calculated based on results of agricultural census data, national research projects results and livestock numbers in the herd. In the last years, there has been switch in cattle farming to liquid slurry management system due to closing of small farms and to the trend of this management system in developed countries, however liquid slurry produces more methane emissions. One of the mitigation measures to reduce emissions from manure management is to use manure for biogas production. According to projections, biogas production from manure management in cattle, swine and poultry breeding sectors will increase significantly in Latvia (Table 9).

Table 9 Production of biogas from cattle, swine and poultry manure, % from total manure management systems distribution)

Category	2012	2015	2020	2025	2030
Cattle	0.9	9.4	10.8	12.0	13.2
Swine	0.2	33.6	39.7	43.6	47.5
Poultry	40	40.9	44.1	46.8	49.5

Agricultural Soils

The main activity data for calculations of projected N₂O emissions from agricultural soils are amount of synthetic nitrogen fertilizer consumption, harvested crops and cultivated area of organic cropland and grassland soil. According to the National Development Plan 2014-2020, it is determined to intensify the agriculture production in currently extensive farmlands and to return the abandoned agriculture land back to the production. that may significantly increase GHG emissions. The consumption of synthetic N fertilizers is projected as the largest source of emissions in this category and is linked to the planned significant increase of yields and areas for agricultural crops cultivation (**Table 10**).

Table 10 Projected data on crop production and synthetic nitrogen fertilizer consumption, thousand tonnes

Category	2015	2020	2025	2030
Wheat	1640	2301	2714	3127
Barley	213	243	292	341
Oats	124	145	171	197
Rye	70	76	83	90
Maize	616	750	980	1209
Pulses	18	24	31	38
Potatoes	473	483	505	527
Rape	299	390	459	527
Perennial grass	1400	2239	2445	2651
Use of N with synthetic fertilizers	72	90	100	110

Urea application and liming

Consumption of urea for fertilization is highly variable in Latvia. The projection of the amount of urea applied to soils is done on an approximate estimate on an annual basis statistical data with assumption that consumption of urea will not show significant changes. Liming of acidic soils is required on about 40% of agricultural land in Latvia. Since 1992, an insufficient area has been limed, which is beginning to affect soil quality. However, there is no planned support for liming purposes; projections are done with the main task to reach value close to the minimum of required amounts of liming (Table 11)

Table 11 Use of urea fertilizers and liming material, tonnes·year⁻¹

Category	2012	2015	2020	2025	2030
Liming	21600	29214	30000	32500	35000
Urea Application	7901	5970	7000	7500	8000

Agriculture total

Table 12 represents aggregated GHG emissions from agriculture sector with WEM scenario in kt CO₂ eq. The largest source of GHG emissions refers to direct N₂O emissions by increasing sown area and consumption of synthetic nitrogen fertilizers. An upward trend in GHG emissions in the agriculture sector is also caused by enteric fermentation and manure management due to the growth in livestock numbers and milk yield. It is nationally determined to intensify the agriculture production in currently extensive farmlands and to return the abandoned agriculture land back to the production, which may increase GHG emissions in the agricultural sector up to 45% with WEM scenario in 2030, comparing with emissions level in 2012. In spite of this emission increasing in the time period 2015 – 2030, the ‘with measures’ projections of emissions from the agriculture sector show that emissions are expected to be 50% lower than 1990 levels by 2020 and 41% below by 2030.

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- The requirements set for 2020 in the Waste Framework Directive (2008/98/EC) on recycling of municipal waste are met.

It is assumed that under the WAM scenario (with additional measures) in addition to the above measures the waste disposal in landfills reduces mechanically on account of biodegrading that will fully take place in Latvia at the sites of waste management (including landfills). Consequently, composting and other recycling activities will increase.

The following assumptions and existing measures were used in the activity data projection:

- The Urban Waste Water Treatment Directive 91/271/EEC (the requirements have been transposed into Latvian legislation since 2002, namely, Regulations of the Cabinet of Ministers No 34 "Regarding Emissions of Pollutants into Aquatic Environment" of 22 January 2002. The first phase of the Directive implementation was completed by the end of 2008; the last phase should be completed by the end of 2015);
- Projections on the country's population and macroeconomic factors for the manufacturing industry prepared by the Ministry of Economics (the given industry is the main source of GHG emissions in the industrial wastewater management sector).

Under "scenario with existing measures" the decrease of the volume of biologically degradable waste within the total volume of disposed waste is taken into account. Volumes of biologically degradable waste are defined in the Waste management plan 2013-2020, which are calculated based upon the volumes of implementation of the disposal sites directive. To project Generated waste amount GDP and population projections are used. CH₄ recovery is projected as equal growth till 2020. After 2020 no growth of CH₄ recovery is projected. Composting is projected as equal growth till 2020.

For the purpose of the "scenario with additional measures" it is assumed that decrease of disposed wastes after year 2020 will take place.

Biological processing of solid waste

Composting corresponds to biological processing of solid waste. In compliance to IPCC guidelines emissions of two gases - methane (CH₄) and nitrogen monoxide (N₂O), are important regarding waste composting.

In scenario with additional measures is projected that composting continuing increasing after year 2020, when landfill directive requirements already are reached.

Projected emissions

There is reduction in total emissions from waste disposal under the WEM scenario in the period up to 2030. In 2020, it is by around 25%, and in 2030 - by 33% as compared with 1990. The trend gains ground due to the above mentioned measures concerning reduction in the volume of the disposed biodegrading waste in landfills and implementing recycling of municipal waste.

The additional measures under the WAM scenario leave an impact upon emissions reduction starting from 2020 and at the end of the projection period (2030) total emissions from waste disposal will be by 26% lower than under the WEM scenario.

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Waste, kt CO ₂ eq	1990	2015	2020	2025	2030
WEM	764.5	636.4	570.7	538.9	512.5
WAM	764.5	636.1	570.4	516.6	451.7

Solid waste disposal (SWD) is the most essential GHG emission source in the waste sector. Within SWD methane (CH₄) is the most important GHG, other GHG emissions (CO₂, N₂O) are not essential and therefore they are not calculated.

Wastewater management sector

According to the calculated projections, CH₄ emissions from the wastewater management sector will decrease in the period up to 2015 due to complete implementation of the Urban Waste Water Treatment Directive. After 2015, CH₄ emissions stabilization to 6 kt is expected.

As regards N₂O emissions, the projected outcomes reveal slight, but still consistent increase of emissions. The main causes are the growth in number of modern, centralized wastewater treatment plants (according to the existent methodology on emissions projections, the mentioned measure of aquatic environment protection is a factor promoting emission of N₂O) and the macroeconomic projection with regard to the increase of production volume in the manufacturing industry which is the source of N₂O emission in the industrial wastewater management sector.

5.2. Sensitivity analysis

As it is known, GHG emissions and their projections are impacted by several parameters and the development of their scenarios may have a vital difference upon the GHG volume. In order to assess the dependence of GHG emission projections on the development trends of separate parameters, sensitivity analysis was done to emission projections in the energy sector. Two parameters were selected for the sensitivity analysis of GHG emissions in Latvia under the alternative scenario. First – it was GDP growth rate, second – the amount of electricity imports, a vital parameter for the Latvian energy sector).

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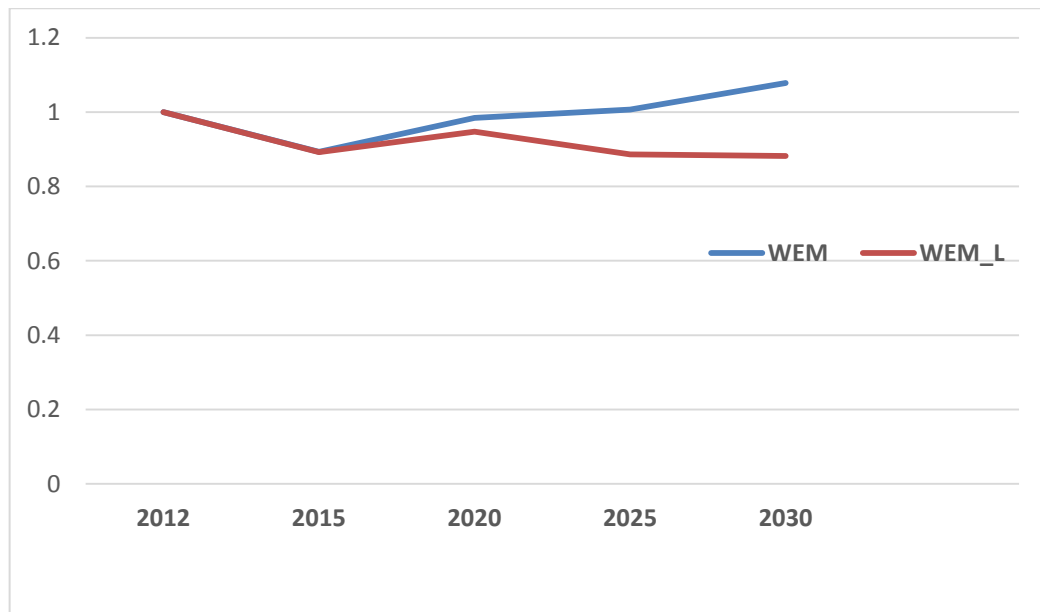


Figure 11 Results of sensitivity analysis in the energy sector on the impact of assumptions for lower GDP growth

If under the WEM scenario the average annual GDP growth rate was 3% (in the period 2005-2030), under the alternative scenario the average annual GDP growth rate was 2.1%. The modelling results reveal that under the scenario of lower GDP growth (see **Figure 11** scenario WEM_L) total GHG emissions in 2020 and 2030 are lower than under the WEM scenario by 3.8% and 18.2% respectively. The scenario of lower GDP growth rate has the most vital impact upon energy consumption and respectively also upon GHG emissions in manufacturing subsector.

In Latvia electricity supply from hydro energy and the amount of electricity import changes from year to year. These changes leave an essential impact on the GHG emissions volume.

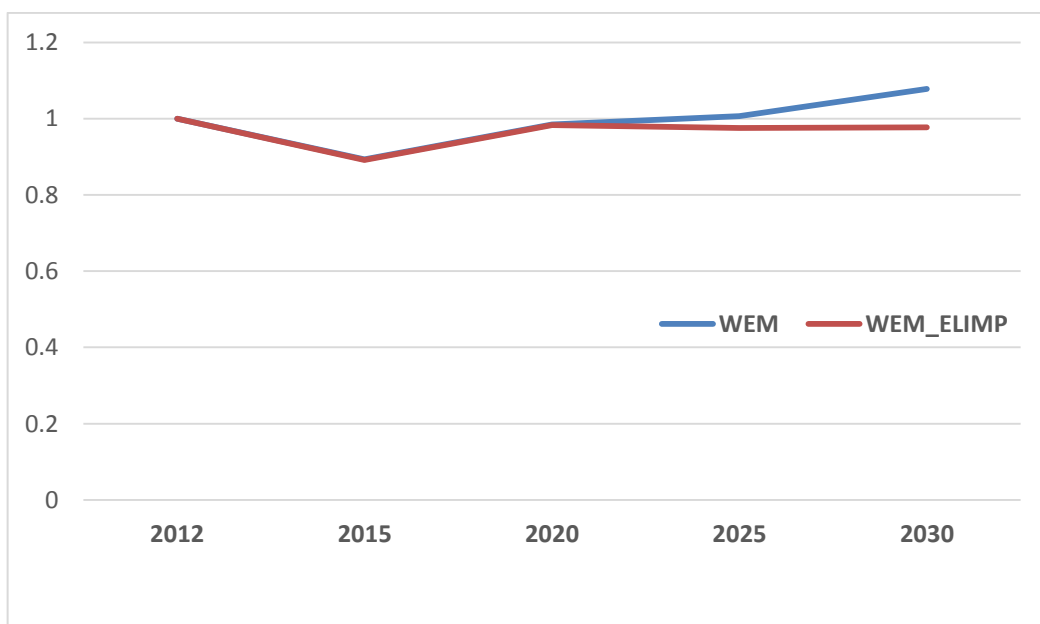


Figure 12 Results of sensitivity analysis in the energy sector on the impact of assumptions for higher electricity import amount

Under the alternative scenario with the assumption for possibly higher electricity import amount (see **Figure 12** scenario WEM_ELIMP) the permitted electricity import amount was

raised almost twice after 2020 as compared to the WEM scenario. At competitive electricity import price, the modelling results reveal increase of electricity import amount and under this scenario emission in 2020 and 2030 are lower than under the WEM scenario by 0.1% and 9.4% respectively. Assumptions on different electricity import amounts leave the most critical impact on emissions in the ETS sector.

5.3. Models and methodology

Emissions of energy sector have been projected using MARKAL model that describes the whole energy supply – demand system by stages of primary energy supply, transformation sector, energy end consumption and energy demand. MARKAL-LV is an optimisation model that describes development of the Latvian energy system over a period of 30 years on the national level.

Projection on prices of energy resources, as well as useful energy demand (energy service demand) or other secondary parameters, like the area of heated premises of buildings or mileage of cars that reflects the required amount of energy are needed as the input data in MARKAL model. Consumption of electricity and district heating is calculated internally within the model.

Activity data for projections of GHG emissions from agriculture sector have been calculated using an approach based on combined results of linear and non-linear multiple regression analysis and corrections of results by agriculture experts within statistical forecast confidence limits. Regression analysis factors include population data, agriculture products consumption indicators, share of agriculture in GDP and global trading data of agriculture products.

The combined method of time series and impact of macroeconomic indices was applied for projection of emissions from Industrial Processes and Product Use. Correlations of amounts of output of every subsection are formed in the form of “correction of errors”, which comply with the model of error correction. The obtained time lines were corrected in compliance to the known and forecasted technologies changes in every subsection.

A summary of key variables and assumptions used for GHG emission projections is presented in CTF Table 5.

5.4. Changes compared to the Sixth National Communication and the First Biennial Report

The models used for the preparation the projections of the Second Biennial Report are basically the same as those used for the Sixth National Communication and the First Biennial Report.

In order to set up the national system for policies and measures and projections the Environmental monitoring program (Order No 67) of the Minister of the Environmental Protection and Regional Development (MEPRD) of 26 February 2015 was adopted. With this Order the principles of GHG emission and CO₂ removals projections - main responsibilities

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of the involved institutions, parameters, timelines and methods, data flow and quality assurance and quality control principles are defined. The overall responsibility for climate change policy development lies within MEPRD, and a number of other national institutions are involved in the implementation of this policy, including the Ministry of Finance, Ministry of Economics, Ministry of Transport and Ministry of Agriculture and institutions supervised by relevant ministries.

Since the spring of 2015 the amendments of law on Pollution is under development where the legislation on GHG projections national system will be established.

6. Provision of Financial, Technological and Capacity-building Support to Developing Country Parties

This section includes information on the provision of financial, technological and capacity-building support to developing countries by Latvia.

Support to developing countries plays an important role in reaching the agreed goal of limiting the global average temperature increase to below 2 °C above pre-industrial levels, achieving the transformation to low GHG emissions economies, and supporting climate-resilient sustainable development. Developed countries have committed to a long-term goal of jointly mobilizing USD 100 billion per year by 2020. This pledge has helped to significantly scale up climate finance. At the same time, it should be emphasized that Latvia, as well as some of the other EU Member States due to strict budgetary constraints have limited opportunities to participate in the financing of climate change and to support developing countries. As regards of scaling up climate finance, Latvia would like to acknowledge that an essential factor is the leverage of private finance. Private finance and investment will be pivotal to achieving long-term transformation of developing countries into low-carbon, sustainable, and climate-resilient economies.

Latvia is not an Annex II Party therefore the provisions of United Nations Framework Convention on Climate Change Article 4.3, 4.4 and 4.5 are not applicable, but it was decided to report provision of financial support according to EU Regulation No.525/2013 of the European Parliament and of the Council on a mechanism for monitoring and reporting greenhouse gas emissions and for reporting other information at national and Union level relevant to climate change and repealing Decision no. 280/2004/EC.

Despite limited resources, Latvia contributed 350 000 euro to the Green Climate Fund at the end of December, 2014 and intends to continue to work on the support to developing countries in the future. Latvia is continuing to meet its obligations under agreement in respect of participation in the Eastern Europe Energy Efficiency and Environment partnership Fund (E5P) - annually EUR 10 000 for the period 2011-2015. In fact, payment for 2014 was carried out in 2015. Furthermore an additional voluntary contribution to E5P also was carried out in 2014 in amount of EUR 35 000.

Besides indicated contributions through multilateral channels, there were two projects carried out through bilateral/regional channel- "Raising stakeholder awareness on building energy efficiency in Russia, Belarus, Ukraine" in 2013 providing co-funding of 1888.07 EUR and "Development cooperation project for sustainable environmental engineering education promotion between Urgench State University and Riga Technical University" in 2014 providing funding providing funding of 26 385 EUR. Both projects are related also with capacity-building issues.

Taking into account that there is no currency conversion integrated into the BR2 CTF application and therefore Parties could choose their own methodology used for currency exchange for the information provided in table 7, 7(a) and 7(b). Domestic currency in 2013 was Latvian lats. According to data from Central Bank of Latvia (www.bank.lv) average year rate in 2013 was 1 USD=0.5295LVL. According to data from European Central Bank (www.ecb.europa.eu) average year rate in 2013 was 1 EUR=1.3281 USD. Considering that Latvia in 2014 joined the Eurozone, national currency lats was replaced with euro. According

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to data from European Central Bank (www.ecb.europa.eu) average year rate in 2014 was 1 EUR=1.3285 USD. Both aforementioned values of the currency pairs are used in calculations.

Summarized information on the financial and provision of capacity – building support can be found in the CTF Tables 7 and 9 included also in the Annex of Latvia's Second Biennial Report.

The technology support and transfer were not provisioned, therefore in the Annex of Latvia's Second Biennial Report the CTF Table 8 is not presented.

CTF Annex: Common Tabular Format workbook for the 2nd Biennial Report

Contents

CTF Table 1: Emission trends

CTF Table 2: Description of quantified economy-wide emission reduction target

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CTF Table 5: Summary of key variables and assumptions used in the projections analysis

CTF Table 6(a)/(c): Information on updated greenhouse gas projections under a 'with measures' scenario and under a 'with additional measures' scenario

CTF Table 7: Provision of public financial support: summary information

CTF Table 7a Provision of public financial support: contribution through multilateral channels

CTF Table 7(b): Provision of public financial support: contribution through bilateral, regional and other channels

CTF Table 9: Provision of capacity-building support

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Table 2(a)

Description of quantified economy-wide emission reduction target: base year^a

<i>Party</i>	<i>Latvia</i>	
Base year /base period	1990	
Emission reduction target	% of base year/base period	% of 1990 ^b
	20.00	20.00
Period for reaching target	BY-2020	

^a Reporting by a developed country Party on the information specified in the common tabular format does not prejudice the position of other Parties with regard to the treatment of units from market-based mechanisms under the Convention or other market-based mechanisms towards achievement of quantified economy-wide emission reduction targets.

^b Optional.

Table 2(b)

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**Description of quantified economy-wide emission reduction target:
gases and sectors covered^a**

<i>Gases covered</i>		<i>Base year for each gas (year):</i>	
CO ₂		1990	
CH ₄		1990	
N ₂ O		1990	
HFCs		1995	
PFCs		NA	
SF ₆		1995	
NF ₃		NA	
Other Gases (specify)			
Sectors covered ^b	Energy	Yes	
	Transport ^f	Yes	
	Industrial processes ^g	Yes	
	Agriculture	Yes	
	LULUCF	No	
	Waste	Yes	
	Other Sectors (specify)		
	Aviation in the scope of the EU-ETS	Yes	

Abbreviations : LULUCF = land use, land-use change and forestry.

^a Reporting by a developed country Party on the information specified in the common tabular format does not prejudice the position of other Parties with regard to the treatment of units from market-based mechanisms under the Convention or other market-based mechanisms towards achievement of quantified economy-wide emission reduction targets.

^b More than one selection will be allowed. If Parties use sectors other than those indicated above, the explanation of how these sectors relate to the sectors defined by the IPCC should be provided.

^f Transport is reported as a subsector of the energy sector.

^g Industrial processes refer to the industrial processes and solvent and other product use sectors.

Table 2(c)

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**Description of quantified economy-wide emission reduction target:
global warming potential values (GWP)^a**

<i>Gases</i>	<i>GWP values^b</i>
CO ₂	4th AR
CH ₄	4th AR
N ₂ O	4th AR
HFCs	4th AR
PFCs	4th AR
SF ₆	4th AR
NF ₃	4th AR
Other Gases (specify)	

Abbreviations : GWP = global warming potential

^a Reporting by a developed country Party on the information specified in the common tabular format does not prejudice the position of other Parties with regard to the treatment of units from market-based mechanisms under the Convention or other market-based mechanisms towards achievement of quantified economy-wide emission reduction targets.

^b Please specify the reference for the GWP: Second Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) or the Fourth Assessment Report of the IPCC.

Table 2(d)

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Description of quantified economy-wide emission reduction target: approach to counting emissions and removals from the LULUCF sector^a

Role of LULUCF	LULUCF in base year level and target	Excluded
	Contribution of LULUCF is calculated using	

Abbreviation : LULUCF = land use, land-use change and forestry.

^a Reporting by a developed country Party on the information specified in the common tabular format does not prejudice the position of other Parties with regard to the treatment of units from market-based mechanisms under the Convention or other market-based mechanisms towards achievement of quantified economy-wide emission reduction targets.

Table 2(e)I
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Description of quantified economy-wide emission reduction target: market-based mechanisms under the Convention^a

<i>Market-based mechanisms under the Convention</i>	<i>Possible scale of contributions (estimated kt CO₂ eq)</i>
CERs	NA
ERUs	NA
AAUs ⁱ	NA
Carry-over units ^j	NA
Other mechanism units under the Convention (specify) ^d	

Abbreviations : AAU = assigned amount unit, CER = certified emission reduction, ERU = emission reduction unit.

^a Reporting by a developed country Party on the information specified in the common tabular format does not prejudice the position of other Parties with regard to the treatment of units from market-based mechanisms under the Convention or other market-based mechanisms towards achievement of quantified economy-wide emission reduction targets.

^d As indicated in paragraph 5(e) of the guidelines contained in annex I of decision 2/CP.17 .

ⁱ AAUs issued to or purchased by a Party .

^j Units carried over from the first to the second commitment periods of the Kyoto Protocol, as described in decision 13/CMP.1 and consistent with decision 1/CMP.8.

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54	Reduce emissions of fluorinated greenhouse gases	WEM	Industry/industrial processes	HFC; PFC	Reduction of emissions of fluorinated gases; Replacement of fluorinated gases by other substances	regulatory	implemented	Regulations for the containment, use, recovery and destruction of certain fluorinated greenhouse gases. These rules accompany the provisions relating to the labelling of products and equipment containing these gases, to the notification of information, to prohibitions on commercialisation, as well as to the training and certification of personnel and enterprises.	2006	Ministry of Environment Protection and Regional Development	NE	NE	NE
55	Reduce emissions of fluorinated greenhouse gases.	WEM	Industry/industrial processes	HFC; PFC	Reduction of emissions of fluorinated gases; Replacement of fluorinated gases by other substances	regulatory	implemented	Prevent and minimise emissions of fluorinated greenhouse gases. Bans on the placing on the market, maintenance and service products and equipment containing HFCs with high GWPs.	2015	Ministry of Environment Protection and Regional Development	NE	NE	NE
56	Improve control of fugitive emissions from F gases consumption and phase out particular F gas used in Mobile air conditioning	WEM	Industry/industrial processes	HFC; PFC	Reduction of emissions of fluorinated gases. Improved control of fugitive emissions from F gases consumption.	regulatory	implemented	Regulation lay down the requirements for the EC type approval or national type-approval of vehicles as regards emissions from, and the safe functioning of, air-conditioning systems fitted to vehicles. Regulation contains provisions on retrofitting and refilling of such systems. These requirements are set according to objective of EU policy to reduce emissions of fluorinated greenhouse gases in the air-conditioning systems fitted to passenger cars and light commercial vehicles and prohibit from a certain date air-conditioning systems designed to contain F-gases with a global warming potential higher than 150.	2008	Ministry of Environment Protection and Regional Development	NE	NE	NE
57	LULUCF accounting (LULUCF Decision 529/2613/EU)	WEM	LULUCF/forestry	CO2	Robust accounting of LULUCF activities across Europe	regulatory	adopted	Provides the basis for a formal inclusion of the LULUCF sector and ensures harmonised legal framework allowing collection of reliable data by robust accounting and reporting in a standardised way.	2013	Ministry of Agriculture	NE	NE	NE

Note: The two final columns specify the year identified by the Party for estimating impacts (based on the status of the measure and whether an ex post or ex ante estimation is available).

Abbreviations: GHG = greenhouse gas; LULUCF = land use, land-use change and forestry.

^a Parties should use an asterisk (*) to indicate that a mitigation action is included in the 'with measures' projection.

^b To the extent possible, the following sectors should be used: energy, transport, industry/industrial processes, agriculture, forestry/LULUCF, waste management/waste, other sectors, cross-cutting, as appropriate.

^c To the extent possible, the following types of instrument should be used: economic, fiscal, voluntary agreement, regulatory, information, education, research, other.

^d To the extent possible, the following descriptive terms should be used to report on the status of implementation: implemented, adopted, planned.

^e Additional information may be provided on the cost of the mitigation actions and the relevant timescale.

^f Optional year or years deemed relevant by the Party.

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Table 4

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Reporting on progress^{a, b}

Year ^c	Total emissions excluding LULUCF	Contribution from LULUCF ^d	Quantity of units from market based mechanisms under the Convention		Quantity of units from other market based mechanisms	
	(kt CO ₂ eq)	(kt CO ₂ eq)	(number of units)	(kt CO ₂ eq)	(number of units)	(kt CO ₂ eq)
(1990)	26,326.48		NA		NO	
2010	12,011.12		NA		NO	
2011	11,244.09		NA		NO	
2012	11,078.53		NA		NO	
2013	11,025.43		NA, NO		NO	
2014	NA		NO, NA		NO	

Abbreviation : GHG = greenhouse gas, LULUCF = land use, land-use change and forestry.

^a Reporting by a developed country Party on the information specified in the common tabular format does not prejudice the position of other Parties with regard to the treatment of units from market-based mechanisms under the Convention or other market-based mechanisms towards achievement of quantified economy-wide emission reduction targets.

^b For the base year, information reported on the emission reduction target shall include the following: (a) total GHG emissions, excluding emissions and removals from the LULUCF sector; (b) emissions and/or removals from the LULUCF sector based on the accounting approach applied taking into consideration any relevant decisions of the Conference of the Parties and the activities and/or land that will be accounted for; (c) total GHG emissions, including emissions and removals from the LULUCF sector. For each reported year, information reported on progress made towards the emission reduction targets shall include, in addition to the information noted in paragraphs 9(a–c) of the UNFCCC biennial reporting guidelines for developed country Parties, information on the use of units from market-based mechanisms.

^c Parties may add additional rows for years other than those specified below.

^d Information in this column should be consistent with the information reported in table 4(a)I or 4(a)II, as appropriate. The Parties for which all relevant information on the LULUCF contribution is reported in table I of this common tabular format can refer to table I.

Custom Footnotes

Total GHG emissions (with indirect), including domestic and international aviation, but excluding LULUCF, as reported to the UNFCCC in 2015. Thus no data for 2014 is available.

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Table 4(b)

LVA_BR2_v0.1

Reporting on progress^{a, b, c}

<i>Units of market based mechanisms</i>			<i>Year</i>	
			<i>2013</i>	<i>2014</i>
<i>Kyoto Protocol units</i> ^d	<i>Kyoto Protocol units</i>	<i>(number of units)</i>	NA, NO	NO, NA
		<i>(kt CO₂ eq)</i>		
	<i>AAUs</i>	<i>(number of units)</i>	NA	NA
		<i>(kt CO₂ eq)</i>		
	<i>ERUs</i>	<i>(number of units)</i>	NA	NA
		<i>(kt CO₂ eq)</i>		
	<i>CERs</i>	<i>(number of units)</i>	NA	NA
		<i>(kt CO₂ eq)</i>		
<i>tCERs</i>	<i>(number of units)</i>	NO	NO	
	<i>(kt CO₂ eq)</i>			
<i>ICERs</i>	<i>(number of units)</i>	NO	NO	
	<i>(kt CO₂ eq)</i>			
<i>Other units</i> ^{d,e}	<i>Units from market-based mechanisms under the Convention</i>	<i>(number of units)</i>		
		<i>(kt CO₂ eq)</i>		
	<i>Units from other market-based mechanisms</i>	<i>(number of units)</i>		
		<i>(kt CO₂ eq)</i>		
<i>Total</i>		<i>(number of units)</i>	NA, NO	NO, NA
		<i>(kt CO₂ eq)</i>		

Abbreviations : AAUs = assigned amount units, CERs = certified emission reductions, ERUs = emission reduction units, ICERs = long-term certified emission reductions, tCERs = temporary certified emission reductions.

Note: 2011 is the latest reporting year.

^a Reporting by a developed country Party on the information specified in the common tabular format does not prejudice the position of other Parties with regard to the treatment of units from market-based mechanisms under the Convention or other market-based mechanisms towards achievement of quantified economy-wide emission reduction targets.

^b For each reported year, information reported on progress made towards the emission reduction target shall include, in addition to the information noted in paragraphs 9(a-c) of the reporting guidelines, on the use of units from market-based mechanisms.

^c Parties may include this information, as appropriate and if relevant to their target.

^d Units surrendered by that Party for that year that have not been previously surrendered by that or any other Party.

^e Additional rows for each market-based mechanism should be added, if applicable.

Custom Footnotes

Use of units from mechanisms cannot be quantified at the time of reporting.

Table 9

LVA_BR2_v0.1

Provision of capacity-building support^a

<i>Recipient country/region</i>	<i>Targeted area</i>	<i>Programme or project title</i>	<i>Description of programme or project^{b,c}</i>
Uzbekistan	Multiple Areas	Development cooperation project for sustainable environmental engineering education promotion between Urgench State University and Riga Technical University.	The aim of the project was to train Urgench State University students and staff in sustainable environmental engineering in order to be able to carry out such training program further by using their own staff/faculty. Thus, through raising the level of training of environmental engineering will contribute to the sustainable environmental development, including production of energy, by formation of knowledgeable professionals who will be able to implement their knowledge in practice.
Belarus, Ukraine	Mitigation	Raising stakeholder awareness on building energy efficiency in Russia, Belarus, Ukraine.	The aim of the project was to increase knowledge and understanding of energy saving and building energy efficiency opportunities through a comprehensive approach for the population, non-governmental organizations (NGOs) and future specialists, taking into account socio-economic, technical and environmental aspects. (2013)

^a To be reported to the extent possible.

^b Each Party included in Annex II to the Convention shall provide information, to the extent possible, on how it has provided capacity-building support that responds to the existing and emerging capacity-building needs identified by Parties not included in Annex I to the Convention in the areas of mitigation, adaptation and technology development and transfer.

^c Additional information may be provided on, for example, the measure or activity and co-financing arrangements.